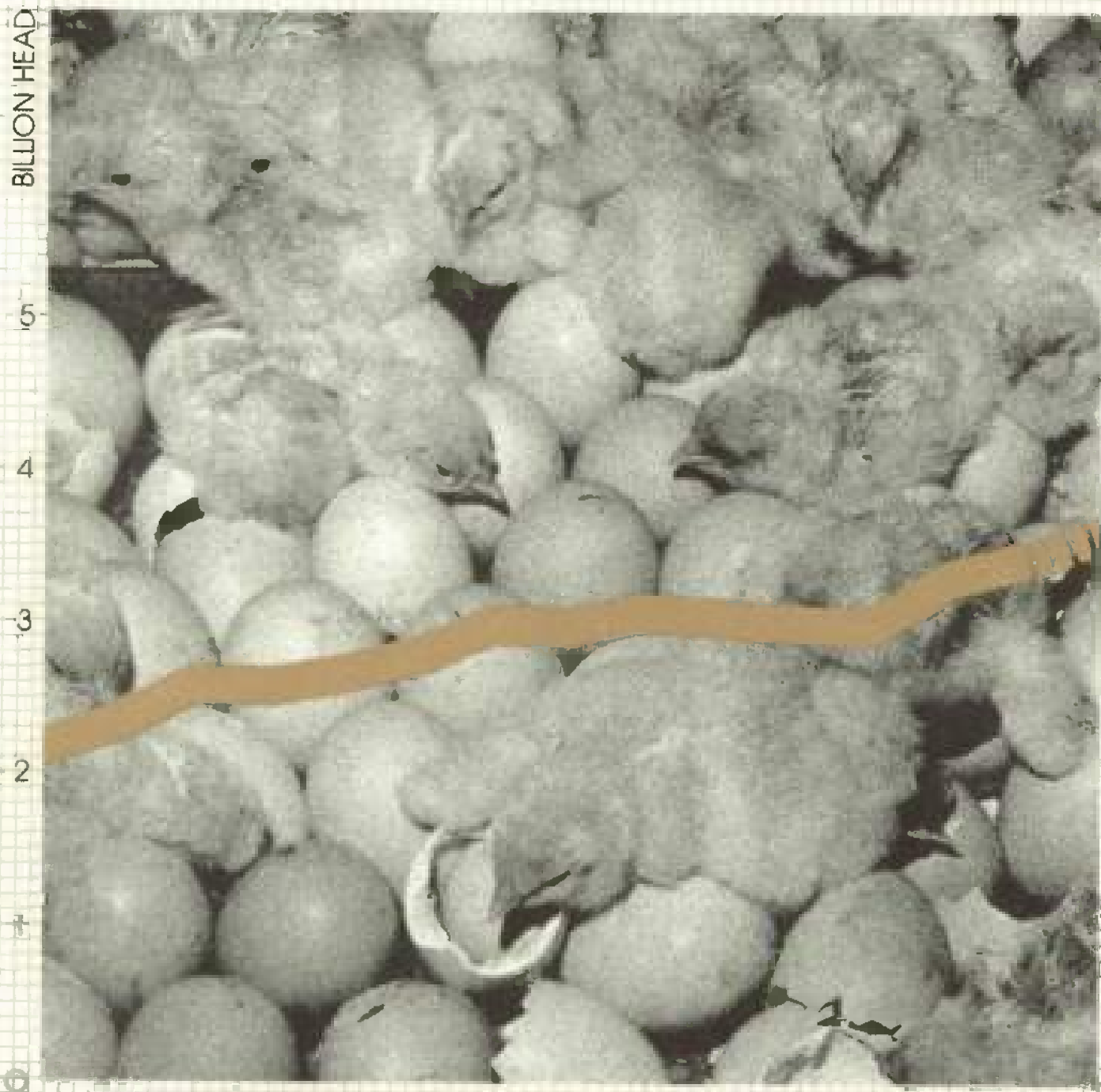


AGRICULTURAL OUTLOOK

USDA • ECONOMICS, STATISTICS, AND COOPERATIVES SERVICE • AO-37



NUMBER OF BROILERS RAISED (1964-ESTIMATED 1978)

OCTOBER 1978



October 1978/AO-37

Page

1 Agricultural Economy

While generations of farmers can attest to the fact that crops are not made until they are in the bin, current prospects point to ample supplies of the important food and feed crops in 1978.

5 Farm Income Trends

Livestock receipts will easily surpass crop receipts in 1978, regaining the lead position they had held all the way from the 1920's to 1973.

9 Storage and Transportation

The large crops in prospect this year are likely to severely tax local storage capacity during harvesttime, while transportation bottlenecks will prevent terminal facilities from being fully utilized.

10 Policy

The factors being considered by policymakers who will devise the 1979/80 feed grain program are outlined briefly.

12 Broiler Production Spurred by Declining Beef Output

Broiler producers throughout their history have shown the ability and inclination to increase output at every opportunity. With beef output declining this year and expected to decrease further in coming years, broiler producers are expected to take full advantage of the situation and expand production.

14 Commodities

With generous supplies of moderately priced feed in prospect and with product prices generally favorable, livestock and poultry operators continue to gear up for expanded output.

18 World Agriculture and Trade

The U.S. economy is now growing more slowly than the economies of our major trading partners. In time, this shift could help our trade balance as U.S. demand for imports slows while demand for our products strengthens abroad.

20 Outlook Conference Program

The National Agricultural Outlook Conference program is previewed. The Conference is scheduled to be held November 13 through 16 in Washington, D.C.

22 Recent Publications

A brief listing of recent USDA reports, arranged by subject matter, which might be of interest to Agricultural Outlook readers.

25 Statistical Indicators

A tabular presentation of the key data series for the food and fiber sector.

Economics Staff: Larry V. Summers (202) 447-7330, David Dyer (202) 447-7330, Ruth Elleson (202) 447-7330, Dewain H. Rahe (202) 447-8261, A. Donald Seaborg (202) 447-7340

Managing Editor: Geraldine Schumacher (202) 447-8590

Editorial Staff: Adrie S. Custer, Neal Holland Duncan, Shirley Hammond, Jenny Lind, Barry Murray, B. Eric Van Chantfort

Statistical Coordinator: Eileen Johnson

Production Staff: Dolores C. Burrell, Patricia D. Hughes, Sheila L. Turner

For further information on subjects discussed in this report, you may wish to contact the persons listed at the end of individual sections.

Contents of this report have been approved by the World Food and Agricultural Outlook and Situation Board and the summary was released September 29, 1978. Materials may be reprinted without permission. Agricultural Outlook is published monthly, except for the January/February combined issue.

Annual subscription: \$17.00 U.S., \$21.25 foreign. A 25-percent discount is offered on orders of 100 copies or more to one address. Order from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Make check payable to Superintendent of Documents. Allow 6 to 8 weeks for delivery.

Annual subscription in microfiche: North American Continent addresses \$25.75 first order, \$21 for each additional order to same address, other foreign addresses \$45 each subscription. Order from National Technical Information Service, Springfield, VA 22161. Refer to publication code NTISUB/C/151 and make check payable to NTIS.

Address change: Please return the mailing label from your most recent issue, including your new address, to: Agricultural Outlook, Room 482 GHI Bldg., ESCS-USDA Washington, D.C. 20250. Allow 6 weeks for processing.



Big Feed Crops, Expanded Use in Prospect

Dominant features of the current agricultural outlook include:

- Prospective record-large supplies of corn and soybeans, which will pressure storage and transportation facilities as harvest progresses.

- Indications of further expansion of livestock and poultry feeding, but little increase in meat supplies as nonfed beef output diminishes.

- Continued heavy export demand.

- Stepped up use of the farmer-owned reserve by feed grain producers.

- Substantially greater returns to livestock producers along with more moderate gains for most cash crops in 1978.

- Continued but slower growth in the general economy, coupled with further growth in consumer incomes, indicating continued strength in the demand for foods such as meats which are responsive to consumer income.

- Higher costs of farm operation and costs of food marketing because of inflationary pressures.

- Steady retail food prices—they leveled in August—through fall, followed by a seasonal upturn this winter.

Expected Large Harvests To Swell Feed Supplies

Farmers in the Nation's midsection are harvesting bumper crops of corn and soybeans. If nature cooperates, new production records will have been set for both crops when the harvesters roll to a stop in a couple of months. While crops are not made until they are in the bin, current prospects point to ample supplies of these important food and feed crops for anticipated domestic and export market needs. Corn prices are expected to be under some downward pressure through the harvest period. While this could mean a sharp buildup in feed grain stocks this year, soybean stocks are expected to be only maintained as stronger demand offsets production increases. However, season average prices for these record

large supplies may not be much different from those of a year earlier because of the strong market demand in prospect and some assistance from Government programs.

Livestock and Poultry Feeding Continues Upswing

With generous supplies of moderately priced feed in prospect and with product prices generally favorable, livestock and poultry feeding operations continue to gear up for expanded output.

Record-large numbers of cattle were placed in feedlots this past spring and summer, and fall placements also are expected to be large. Broiler production has been booming all this year. Production rates recently have been 8 to 9 percent above a year earlier—and rates likely will about match or slightly exceed this margin of increase through the fall and well into next year.

Pork production so far this year has not expanded as much as past relationships between hog and corn prices would have suggested. However, farrowing intentions for the next 6 months or so indicate a gain of about 3 percent. These intentions could easily be exceeded if weather and disease problems are not as severe as last year. Even so, it will be well into 1979 before significantly larger pork supplies begin coming to market.

Meat Output Holding Steady

Despite the increased feeding activity, total output of meat and poultry has trailed year earlier levels for most of the past year. Reduced slaughter of cows, calves, and nonfed steers and heifers, has been more than offsetting.

With rising consumer incomes and strong demand, both farm and retail prices for meats rose sharply through the first half of this year. Although live animal and retail meat prices have retreated somewhat from their midyear peaks, they remain substantially above a year earlier, and are expected to hold quite firm through the fall.

In light of the reduced beef cow herd, smaller supplies of beef are likely for the next several years. Consequently, the critical factors affecting total meat supplies and prices will be the rate of expansion in pork and poultry as well as the relative strength of consumer demand.

Farm Income Looks Bigger than Last Year

Owing largely to the strong showing in the livestock sector, cash receipts from farm marketings are expected to be sharply higher for 1978 than last year. Crop receipts are also up moderately because of both bigger sales and stronger prices. Government payments are also higher.

Of course, farm expenses are also up sharply in keeping with inflationary pressures in the farm input sector as well as higher prices for production items, especially feeder livestock, which are purchased from other farmers. Net farm income, before inventory adjustment, is likely to measure up to earlier forecasts of around a \$5-billion increase from last year's \$20 billion.

Food Prices Level in August, Steady through Fall

After climbing rapidly through the first half of the year, food prices at the grocery store in August registered little change from a month earlier. August food prices reflected the earlier softening of prices of meat animals and poultry along with a sharp drop in fresh vegetable prices as supplies increased seasonally. Coffee prices also continued to decline. Meanwhile, retail prices for most other foods, including prices for food consumed away from home, continued to rise. The Consumer Price Index for all food was up a little over 10 percent in August relative to a year earlier.

Food prices are expected to remain relatively stable through the fall months. Seasonally large supplies and lower prices for several farm commodities during this major harvest period probably will about offset continued upward pressure from marketing

and transportation costs. For all of 1978, retail food prices still appear likely to average around a tenth above 1977.

Shoppers can look for food prices to turn up during the winter reflecting expected seasonal increases for farm commodity prices, further strengthening in consumer demand, and the additional cost push from rising charges for marketing, processing, and distributing food. However, the rate of the food price increase should be well below last winter's fast pace, barring unusually severe weather.

Economy Keeps Growing Amid Inflation Concerns

Economic growth in the second half, while not likely to keep up with the rapid second quarter pace, will probably remain near 5 percent. Real output of goods and services (GNP adjusted for price changes) is now estimated to have grown at an 8.7-percent annual rate in the second quarter,

in contrast to an estimated decline of 0.1 percent in the first quarter.

While the economy continues to expand, inflation continues to be a serious concern. Prices rose at an 11 percent annual rate in the second quarter as measured by the GNP implicit price deflator, a broadly based measure which reflects changes both in prices and in the composition of output. While much of the second quarter increase was due to food price rises, price increases in the nonfood sector continue to be very strong.

One result of the faster price rise and continued large foreign trade deficit was an increase in both the prime interest rate, to 9½ percent, and the federal funds rate to 9-5/8 percent on September 25. The prime interest rate, sometimes called the corporate based rate, is the rate charged by banks to major corporate borrowers. The federal funds rate is the interest rate banks charge

one another for overnight loans to meet reserve requirements. This is the eighth escalation of the prime rate this year and establishes the highest prime rate since January 1975.

Potential impacts of higher interest rates include a strengthening of the dollar by attracting international capital flows and retarding the use of credit by making it more expensive. An escalation in the framework of interest rates can also dampen economic expansion by reducing consumer and business investment.

While higher interest rates can relieve current financial bottlenecks, postponed investment in production facilities can lead to later production bottlenecks when growth rates accelerate. Agricultural inputs can become more expensive as the supplier cost of holding inventories of such items as farm machinery, equipment, and chemicals rise and financing charges to farmers increase.

KEY STATISTICAL INDICATORS OF THE FOOD AND FIBER SECTOR

	1975	1976	1977			1978				
	Annual	Annual	II	III	IV	Annual	I	II	III	IV Annual
									Midpoint of forecast ¹	
Prices received by farmers (1967=100)	185	186	189	176	179	183	193	213	213	207
Livestock and products (1967=100)	172	177	174	178	177	175	195	215	220	212
Crops (1967=100)	201	197	207	174	182	192	192	212	205	202
Prices paid by farmers, all items (1967=100) ..	180	191	204	202	202	202	211	218	221	218
Production items (1967=100) ²	186	198	211	207	206	208	218	226	227	226
Farm production (1967=100)	114	117	—	—	—	121	—	—	—	121
Livestock and products (1967=100)	101	105	—	—	—	106	—	—	—	108
Crops (1967=100)	121	121	—	—	—	129	—	—	—	128
Farm income: ³										
Cash receipts (\$ bil.)	88.2	94.5	95.7	91.3	99.6	96.1	102.2	109.0	109	107
Livestock (\$ bil.)	43.0	46.2	46.6	47.8	49.5	47.6	52.7	57.5	59	57
Crops (\$ bil.)	45.1	48.3	49.1	43.5	50.1	48.5	49.5	51.5	50	50
Gross farm income (\$ bil.)	96.9	104.1	106.7	102.7	114.8	108.1	115.8	122.5	122	121
Production expenses (\$ bil.)	75.9	83.0	87.0	86.0	91.4	88.0	93.5	96.0	97	96
Net income before inventory adjustment (\$ bil.)	21.1	21.1	19.7	16.7	23.4	20.1	22.3	26.5	25	25
Net income after inventory adjustment (\$ bil.) ⁴	24.5	18.8	20.2	16.8	25.5	20.6	22.3	24.5	24	24
Market basket: ⁵										
Retail cost (1967=100)	173.6	175.4	178.8	180.3	180.6	179.2	188.1	199.1	204	199
Farm value (1967=100)	187.7	177.8	178.6	179.8	178.6	178.1	191.1	211.1	213	206
Spread (1967=100)	165.1	174.0	179.0	180.7	181.9	180.0	186.4	191.9	199	195
Farm value/retail cost (%)	41	38	38	38	37	38	38	40	39	39
Retail prices:										
Food (1967=100)	175.4	180.8	192.1	194.8	195.4	192.2	201.8	210.5	216	211
At home (1967=100)	175.8	179.5	190.3	192.7	192.8	190.2	199.9	210.0	215	210
Away-from-home (1967=100)	174.3	186.1	199.1	202.8	205.4	200.3	210.3	215.9	221	218
Per capita food use (1967=100)	102.0	105.8	—	—	—	104.7	—	—	—	105.1
Animal products (1967=100) ⁶	99.7	104.0	101.4	103.6	105.7	103.7	101.3	101.4	102.8	103.1
Crop products (1967=100)	104.9	107.9	—	—	—	105.9	—	—	—	107.4
Agricultural exports (\$ bil.) ⁷	21.9	22.8	6.2	6.3	5.0	24.0	6.1	6.5	7.9	26.6
Agricultural imports (\$ bil.) ⁷	9.5	10.5	3.6	3.9	3.1	13.4	3.0	3.9	3.4	13.7

¹ These midpoint estimates are surrounded by considerable uncertainty. An analysis of root mean square errors of the annual forecast made in the third quarter since 1971 indicates that the final estimate will be within the following percentages 2 out of 3 times for: prices received by farmers, 4 percent; cash receipts, 4 percent; net income before inventory adjustment, about a tenth and retail prices for all food, less than 1 percent. ² Including interest, wages, and taxes. ³ Quarterly data are seasonally adjusted at annual rates; first half 1978 data are preliminary estimates. ⁴ Includes net change in farm inventories. ⁵ Quarterly data are given at annual rates. 1978 revised to conform with the new Consumer Price Index-All urban. ⁶ Quarterly data exclude fish products. ⁷ Annual and quarterly data are based on Oct.-Sept. fiscal years ending with indicated years; quarters indicated refer to fiscal year quarters, not calendar year quarters, i.e. IV 1977 means July-Sept. 1977, I 1978 means Oct.-Dec. 1977, etc..

Farm Income Trends



Farmers' gross income will probably top \$120 billion in 1978, a new record. The sharp rise is expected to be about half the \$25-billion jump experienced in 1973. Nonetheless, it would be the second largest increase ever, and this would mean a doubling of gross farm income since 1971.

Fueled by sharply higher prices, livestock receipts will likely jump 20 percent this year and help push overall cash receipts from farm marketings at least \$10 billion above 1977's \$96 billion. Cash receipts from sales of farm-produced commodities usually account for about 90 percent of gross farm income.

Crop receipts averaged about the same as a year ago during the first half. Prospects for the second half indicate only a slight decline, in marked contrast to the sharp drop in 1977's third quarter. This second consecutive year of large farm output appears headed through marketing channels with greater price stability than last year.

Farm operators receive additional cash income in the form of government payments, machine hire, and custom work, and similar activities. And such nonmoney items as the rental value of farm dwellings and the value of farm products consumed by farm households also represent a form of income to farmers.

FARMERS TO GROSS MORE THIS YEAR

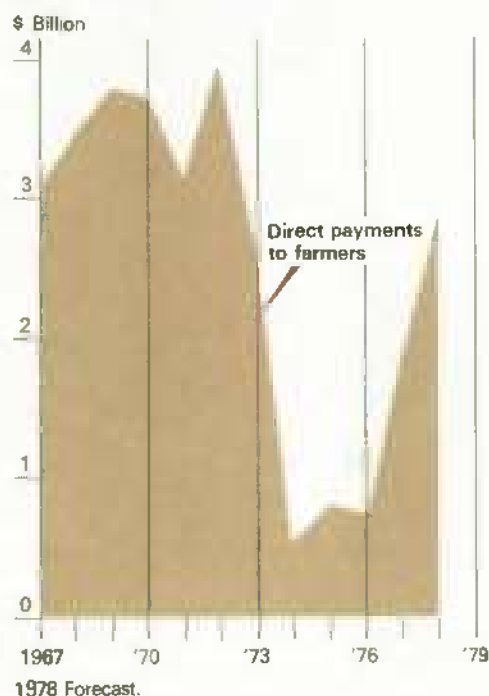


*Includes government payments, value of farm products consumed in farm households, rental value of farm dwelling, and income from recreation, machine hire, and custom work.

Under farm programs enacted last fall and earlier this year, direct government payments to farmers are likely to grow by another billion dollars in 1978 and approach the \$3-billion level.

Government payments, which averaged around \$3½ billion per year from 1966 through 1972, came to only around \$0.7 billion annually during the 1974-76 period when worldwide supply/demand conditions boosted domestic grain and cotton prices above target levels. But the return of larger global supplies, coupled with inflationary pressures on production costs, have again forced market prices below target levels for wheat and certain feed grains.

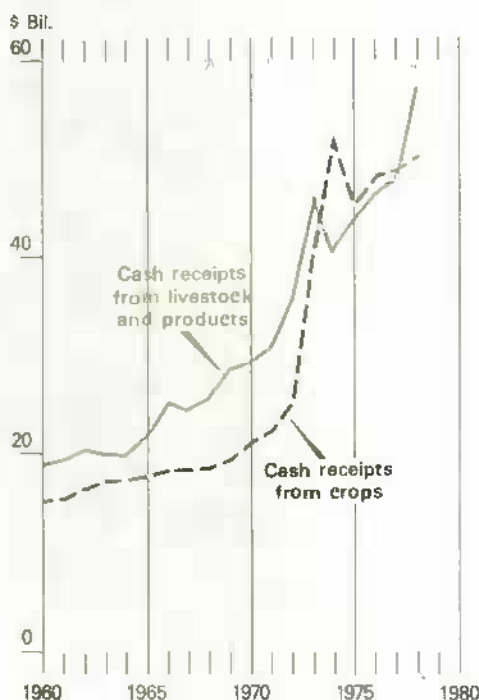
GOVERNMENT PAYMENTS SURGE IN 1978



Livestock receipts will easily surpass crop receipts in 1978, regaining the lead position they had held all the way from the 1920's to 1973. Cattle, hog, and broiler producers are all receiving much higher prices and earnings during the current year, largely as a result of the cattle cycle downturn.

Crop receipts during late 1977 were bolstered by increased participation in Commodity Credit Corporation (CCC) loan program. About \$3.5 billion of last year's \$48.5 billion in crop receipts is associated with net loan placements. Transfer of many such loans into the voluntary farmer-held grain reserve has apparently reduced the price-depressing effect of large stocks. And given the bumper crop expected this year, there will likely be large loan placements again.

LIVESTOCK RECEIPTS PULL AHEAD OF CROPS



Cattle and calves continue as the No. 1 dollar earner for U.S. farmers, a position they have held since World War II. Their share of receipts may swell to a fourth in 1978, which would be similar to their share in the mid-1960's. Last year they provided about a fifth of all cash receipts.

Dairy products seem likely to recapture second place in 1978. Last year they placed third. They were in the No. 2 position until rapid rises in grain and soybean prices shifted the order in 1973. From the mid-1920's to the mid-1940's, dairy products ranked as the top dollar earner.

Soybeans look like they will take over the top crop spot for the first time this year. Corn had been in the lead since the mid-1960's. Cotton, the leading income earner in the first quarter of this century, has suffered a significant drop in its relative importance as a cash crop, even though it has shown a strong gain in the last decade. Tobacco is another cash crop that has taken a back seat from its earlier importance.

CATTLE STILL NO. 1 SOURCE OF FARM RECEIPTS

Commodity	Cash marketings		Share of total receipts	
	1967	1977	1967	1977
	\$ Mil.		Percent	
Cattle and calves	10,550	20,230	24.6	21.1
Feed grains ..	4,393	12,017	10.3	12.5
Dairy products ...	5,742	11,776	13.4	12.3
Oil crops	2,795	9,393	6.5	9.8
Hogs	3,809	7,327	8.9	7.6
Food grains ..	2,361	6,139	5.5	6.4
Vegetables ...	2,680	5,661	6.3	5.9
Fruits and tree nuts	1,817	4,262	4.2	4.4
Cotton (lint and seed) ..	1,095	3,939	2.6	4.1
Broilers and farm chickens ..	1,314	3,243	3.1	3.4
Eggs	1,765	2,917	4.1	3.0
Tobacco	1,391	2,331	3.2	2.4
Other	3,105	6,849	7.3	7.1
Total	42,817	96,084	100.0	100.0

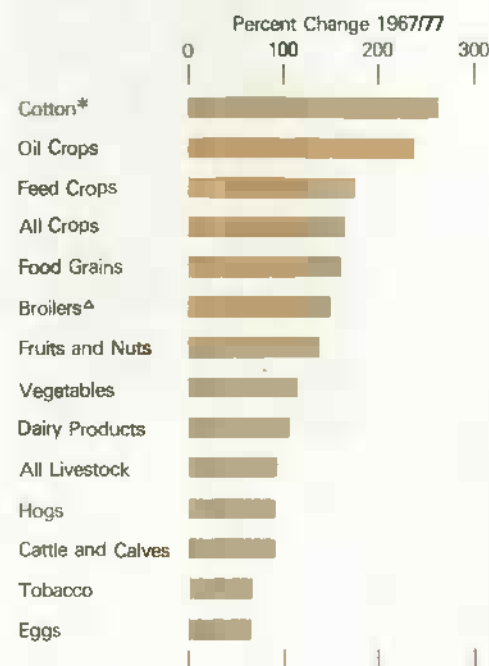
Although cash receipts from crops in 1977 were essentially unchanged from the previous year, there were substantial differences for individual crops, particularly if changes in producer-owned stocks during the 2 years were considered.

Soybean producers in effect grossed 50 percent more and cotton farmers nearly 20 percent more than in 1976 as the tight supply-demand conditions of 1976 carried strong prices into 1977. Gross earnings from feed grains were virtually unchanged, but wheat receipts fell for the third year in a row—this time by \$2 billion. This drop was softened considerably by direct payments of about \$1 billion on the 1977 crop.

During the past decade, farmers' cash receipts from cotton, soybeans, and grains jumped \$21 billion. These items experienced the largest percentage rises among major commodities. Overall crop prices for these products nearly doubled at the farm level as a result of tightening supply/demand conditions in world markets.

Broilers and dairy products showed the largest proportional gains among the livestock items—receipts have more than doubled for both. The gain for broilers has been accomplished through significant increases in quantity and fairly modest price rises relative to any other livestock items. Dairy product receipts have maintained a fairly steady growth over the decade, due almost entirely to rises in farm milk prices.

COTTON, OIL CROPS, GRAIN RECEIPTS BIGGEST GAINERS IN PAST DECADE

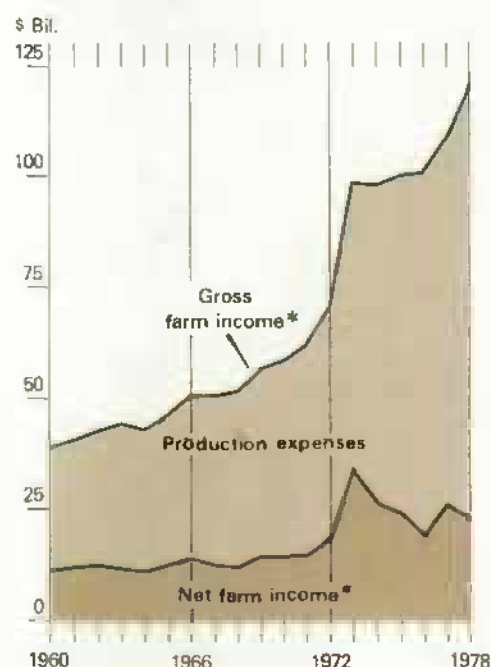


*Includes lint and seed. ^Δ Includes farm chickens.

Rises in gross income are inevitably accompanied by rises in production expenses. But the fixed nature of many of the expenses effectively prevents total expenses from falling, even though gross income occasionally does fall.

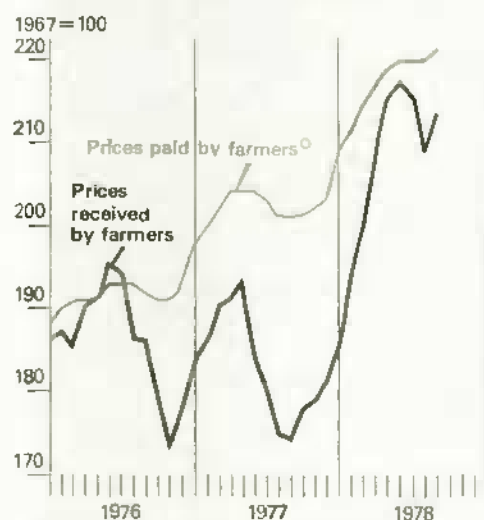
Production expenses are forecast to increase in the neighborhood of 9 percent in 1978. Over the 1969-77 decade expenses rose \$50 billion to \$88 billion—a rise of 130 percent. Most of the increase was accounted for by higher prices, which more than doubled during the period.

FARMERS GROSS MORE, BUT EXPENSES ALSO RISING



*Includes change in farm inventories.

PRICES RECEIVED AND PAID BY FARMERS UP FROM LAST YEAR



O Includes interest, taxes, and wage rates.

Several fixed or overhead-type expense items increased relatively more than current operating expenses. This reflected the shift to a more capital-intensive agriculture, and a cash flow from farming that in the aggregate has not kept pace with farm expenditures over the last several years.

While total input use rose only slightly during 1967-77, the mix used in producing today's food and fiber has shifted toward more purchased items.

INTEREST AND DEPRECIATION TAKE INCREASING SHARE OF FARMER'S DOLLARS

Expense	1967		1977	
	\$ Mil.		Percent	
Depreciation . . .	5,781	15,248	15.1	17.3
Feed purchased . .	6,646	13,840	17.4	15.7
Repair and operation of capital items	4,409	9,510	11.5	10.8
Interest	2,596	8,514	6.8	9.7
Hired labor	3,723	7,445	9.8	8.5
Livestock purchased	3,431	6,736	9.0	7.7
Fertilizer and lime	2,429	6,089	6.4	6.9
Net rent to non-operator landlords . . .	1,882	3,900	4.9	4.4
Property taxes . . .	2,122	3,809	5.6	4.3
Seed purchased . . .	814	2,856	2.1	3.3
Other	4,348	10,022	11.4	11.4
Total	38,181	87,969	100.0	100.0

October Situation Report Schedule

Situation reports which will be released by USDA's World Food and Agricultural Outlook and Situation Board this month are:

Title	Off Press
World Agriculture	October 2
Rice	October 4
Livestock & Meat	October 12
Ag Supply & Demand	October 12
Dairy	October 13
Ag Supply & Demand	October 24
Fats & Oils	October 26

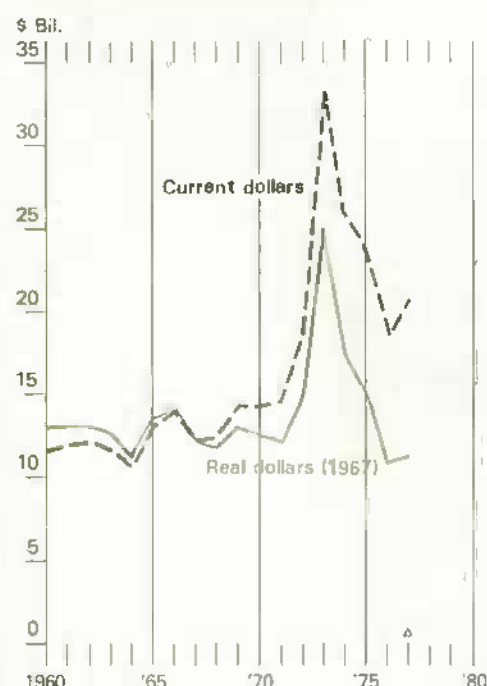
Single copies of the above reports may be obtained by writing to: ESCS Publications, Room 0054 South Building, USDA, Washington, D.C. 20250.

Current forecasts of 1978 farm income components show a 25-percent increase in net farm earnings before adjustment for inventory changes. The increase is in the 15 percent neighborhood after including a valuation for the physical changes in farmer-owned commodities.

These gains represent notable improvements from the pattern that has existed since 1973. The slight upturn in 1977 would probably not have occurred without the legislative and administrative policy actions last fall.

On a constant dollar basis, the net is now near the level existing before the sharp increases of late 1972 and 1973. With fewer but larger farms over the years, the aggregate charts presented here would show a greater incline if the per farm series were plotted.

NET FARM INCOME IMPROVES

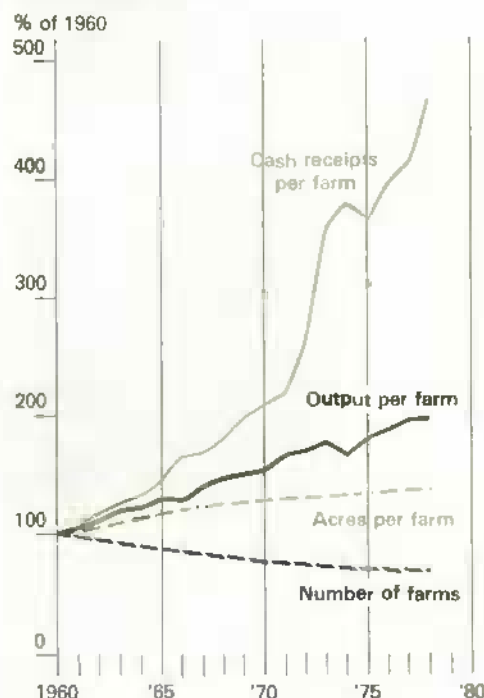


Δ Preliminary.

The 2.7 million farms and ranches operating in 1978 are down about 1 percent from last year. Although the rate of decline has been slowing in recent years, farm numbers are down around half from 1950 when nearly 5.6 million farms were in business. During the 1950's and 1960's, farm numbers declined an average of about 3 percent a year; however, in the 1970's the annual drop has been slowed to a 1-percent rate.

Despite the decline in farm numbers, total U.S. farm output has expanded by around 64 percent since 1950 as a result of a sharply larger capital investment in the agricultural sector. Farmers are producing 40 percent more livestock and livestock products and crop production has risen 70 percent. Farmers have increasingly substituted capital inputs for labor. Greater use of farm machinery, fertilizer, and pesticides along with improved feeding and breeding boosted agricultural productivity by almost two-thirds during the 1950-77 period.

TREND TO FEWER BUT LARGER FARMS CONTINUES



NUMBER OF FARMS BY SALES CLASSES

Farms with sales of	Number of farms		Share of total	
	1969	1977	1969	1977
	Thousand	Thousand	Percent	Percent
\$200,000 and over .	16	55	0.5	2.0
\$100,000 to 199,999	35	107	1.2	4.0
\$40,000 to 99,999	170	348	5.7	12.9
\$20,000 to 39,999	330	321	11.0	11.9
\$10,000 to 19,999	400	311	13.3	11.5
\$5,000 to 9,999	413	302	13.8	11.2
\$2,500 to 4,999	436	304	14.5	11.2
Less than \$2,500	1,200	958	40.0	35.3
All farms	3,000	2,706	100.0	100.0

CASH RECEIPTS BY SALES CLASSES¹

	Total amount		Share of total	
	1969	1977	1969	1977
	\$ bil.	\$ bil.	Percent	Percent
\$200,000 and over .	11.0	35.4	21.0	35.6
\$100,000 to 199,999	5.3	16.9	10.0	17.0
\$40,000 to 99,999	11.5	25.5	21.9	25.6
\$20,000 to 39,999	10.8	11.1	20.5	11.1
\$10,000 to 19,999	6.9	5.4	13.2	5.4
\$5,000 to 9,999	3.6	2.7	6.9	2.7
\$2,500 to 4,999	1.9	1.4	3.6	1.4
Less than \$2,500	1.5	1.2	2.9	1.2
All farms ²	52.5	99.5	100.0	100.0

¹ Includes government payments and other farm income; excludes nonmoney income. ² Totals may not add due to rounding.

Farm Income Statistics Available

The U.S. Department of Agriculture regularly publishes a comprehensive set of income estimates relating to agriculture which have been developed over more than a third of a century. The data series, *Farm Income Statistics*, falls into three categories:

- tables containing farm income revisions for 1975 and 1976, as well as the first detailed estimates for 1977,
- a set of historical tables on farm and personal income,
- a group of tables showing the distribution breakout of farm income and number of farms by value of sales class.

Copies of *Farm Income Statistics*, Statistical Bulletin No. 609, are available free by postcard or telephone (202) 447-7255 from the Publications Unit, ESCS, U.S. Department of Agriculture, Washington, D.C. 20250. Please include your zip code.

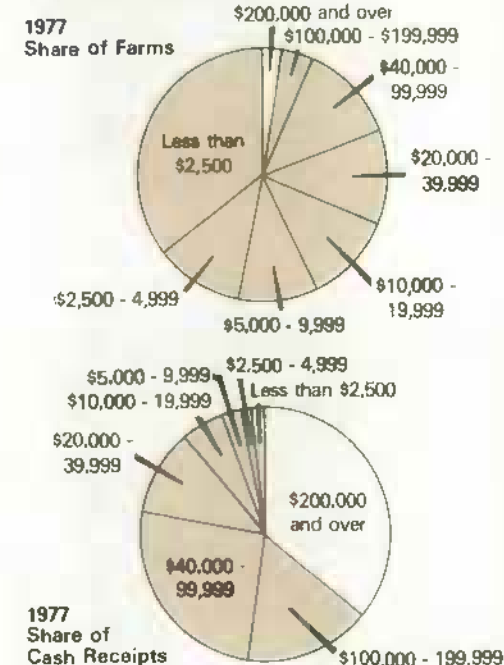
A supplement to *Farm Income Statistics* that carries similar data on farm income and production expenses at the State level is also available. It is free on request from the ESCS Publications Unit at the above address.

Farms with sales of \$20,000 and over have been increasing in absolute numbers as well as in proportion to the total number of U.S. farms. For example, in 1960 the 340,000 farms in this group represented nearly a tenth of all farms. In 1977 they numbered 831,000, or almost 31 percent of the total. While this group represented only about a tenth of farms in 1960, they had a little over half of total cash receipts and over a third of net income. By 1977 operators in this sales group had nearly 90 percent of cash receipts and nearly 80 percent of net income.

Farms selling \$200,000 or more have been the fastest growing in both number and importance. Their numbers more than tripled since 1969, while their share of farm products sold rose from 20 percent to over 35 percent.

Farms in the under \$20,000 sales category have declined rapidly in economic importance. They now account for only about a tenth of total farm sales, although they still number about 70 percent of all farms.

2% OF FARMS ACCOUNT FOR OVER A THIRD OF SALES



Percent of farms and cash receipts by sales classes.

Farm operator families earn substantial amounts of their family income off the farm. In general, off-farm income becomes a larger part of total family income as farm sales decline.

For example, farm operator families in the \$40,000-\$99,999 sales class earn 25 cents, on average, of every dollar of their total income from off-farm sources, while those in the \$20,000 to \$39,999 sales group earn 41 cents of every dollar off the farm and those in the \$10,000 to \$19,999 sales group, 65 cents.

This dependence on off-farm income increases to a maximum of 91 cents of every dollar of total income for families with farm sales under \$5,000.

OFF-FARM INCOME MORE PROMINENT ON MANY FARMS

Farms with sales	Share of total income from off-farm sources			
	1965	1969	1973	1977
	Percent			
\$100,000 and over	18	15	8	20
\$40,000 - 99,999	20	18	15	25
\$20,000 - 39,999	23	23	26	41
\$10,000 - 19,999	30	39	47	65
\$5,000 - 9,999	50	61	69	82
\$2,500 - 4,999	65	77	83	91
Less than \$2,500	84	89	89	91
All farms	52	54	44	61

OFF-FARM EARNINGS MOST IMPORTANT ON SMALL FARMS*



* Total income per farm operator family in 1977 by sales classes including nonmoney income from farm food and housing. ▲ Net income before inventory adjustment.

INCOME PER FARM OPERATOR FAMILY BY MAJOR SOURCE AND BY VALUE OF SALES CLASSES

Year	Farms with sales								
	\$100,000 and over	\$40,000 to \$99,999	\$40,000 and over	\$20,000 to \$39,999	\$10,000 to \$19,999	\$5,000 to \$9,999	\$2,500 to \$4,999	Less than \$2,500	All farms
	Dollars								
Net farm income before inventory adjustment ¹									
1960	30,826	13,812	(17,274)	8,080	5,095	3,212	1,931	806	2,806
1961	31,730	14,588	(18,211)	8,431	5,317	3,339	1,997	852	3,038
1962	30,275	14,321	(17,747)	8,268	5,258	3,240	1,918	844	3,099
1963	29,516	14,018	(17,355)	8,045	5,139	3,109	1,816	827	3,119
1964	31,594	12,562	(16,733)	8,435	5,443	3,250	1,886	875	3,272
1965	33,084	15,136	(19,150)	8,578	5,527	3,211	1,830	899	3,533
1966	44,581	18,127	(24,243)	10,134	6,045	3,361	1,895	936	4,312
1967	30,094	15,147	(18,622)	8,823	5,328	3,006	1,678	872	3,695
1968	32,178	15,726	(19,543)	9,353	5,532	3,106	1,695	894	3,972
1969	42,137	17,606	(23,267)	10,615	5,986	3,313	1,724	864	4,731
1970	40,543	17,319	(22,953)	10,405	5,856	3,235	1,696	902	4,797
1971	35,206	16,037	(20,868)	9,672	5,399	2,976	1,571	905	4,561
1972	52,011	19,816	(28,645)	11,369	6,325	3,470	1,882	1,115	6,226
1973	83,809	26,368	(43,935)	13,573	7,150	3,818	2,090	1,344	10,607
1974	72,780	23,816	(39,085)	11,989	6,133	3,251	1,786	1,350	9,925
1975	50,729	19,812	(29,346)	10,254	5,185	2,740	1,501	1,342	7,617
1976	45,752	19,052	(27,470)	9,926	4,996	2,645	1,457	1,398	7,712
1977	38,310	18,502	(24,794)	9,993	4,987	2,696	1,608	1,518	7,439
Off-farm income									
1960	NA	NA	2,177	1,678	1,258	1,574	1,848	2,732	2,140
1961	NA	NA	2,472	1,757	1,414	1,838	2,113	3,039	2,396
1962	NA	NA	2,889	1,894	1,604	2,141	2,402	3,377	2,683
1963	NA	NA	3,528	2,169	1,870	2,542	2,784	3,845	3,085
1964	NA	NA	3,890	2,287	2,058	2,831	3,068	4,180	3,366
1965	7,278	3,680	(4,484)	2,507	2,319	3,232	3,471	4,713	3,792
1966	7,209	3,699	(4,511)	2,694	2,717	3,723	4,079	5,312	4,262
1967	7,140	3,662	(4,470)	2,809	3,044	4,109	4,560	5,661	4,584
1968	7,400	3,799	(4,634)	3,023	3,446	4,592	5,137	6,212	5,036
1969	7,471	3,865	(4,697)	3,212	3,858	5,094	5,757	6,964	5,537
1970	7,614	3,949	(4,838)	3,359	4,190	5,450	6,184	7,437	5,899
1971	7,603	4,102	(4,984)	3,689	4,677	6,046	6,947	8,190	6,488
1972	7,573	4,253	(5,164)	4,093	5,297	6,829	7,969	9,154	7,208
1973	7,715	4,601	(5,554)	4,824	6,447	8,347	9,953	10,961	8,416
1974	8,060	4,997	(5,952)	5,512	7,444	9,640	11,566	12,411	9,487
1975	8,043	5,067	(5,985)	5,830	7,891	10,198	12,182	12,843	9,922
1976	9,121	5,698	(6,777)	6,591	8,972	11,584	13,850	14,417	11,086
1977	9,636	6,011	(7,163)	6,956	9,466	12,179	14,559	15,077	11,596
Total income from farm and off-farm sources ¹									
1960	NA	NA	19,451	9,758	6,353	4,786	3,779	3,538	4,946
1961	NA	NA	20,683	10,188	6,731	5,177	4,110	3,891	5,434
1962	NA	NA	20,636	10,162	6,862	5,381	4,320	4,221	5,782
1963	NA	NA	20,883	10,214	7,009	5,651	4,600	4,672	6,204
1964	NA	NA	20,623	10,722	7,501	6,081	4,954	5,055	6,638
1965	40,362	18,816	(23,634)	11,085	7,846	6,443	5,301	5,612	7,325
1966	51,790	21,826	(28,754)	12,828	8,762	7,084	5,974	6,248	8,574
1967	37,234	18,809	(23,092)	11,632	8,372	7,115	6,238	6,533	8,279
1968	39,578	19,525	(24,177)	12,376	8,978	7,698	6,832	7,106	9,008
1969	49,608	21,471	(27,964)	13,827	9,844	8,407	7,481	7,828	10,268
1970	48,157	21,268	(27,791)	13,764	10,046	8,685	7,880	8,339	10,696
1971	42,809	20,139	(25,852)	13,361	10,076	9,022	8,518	9,095	11,049
1972	59,584	24,069	(33,809)	15,462	11,622	10,299	9,851	10,269	13,434
1973	91,524	30,969	(49,489)	18,397	13,597	12,165	12,043	12,305	19,023
1974	80,840	28,813	(45,037)	17,501	13,577	12,891	13,352	13,761	19,412
1975	58,772	24,879	(35,331)	16,084	13,076	12,938	13,683	14,185	17,539
1976	54,873	24,750	(34,247)	16,517	13,968	14,229	15,307	15,815	18,798
1977	47,946	24,513	(31,957)	16,949	14,453	14,875	16,067	16,595	19,035

¹ Includes government payments, the value of farm products consumed in farm households, and the rental value of farm dwellings. NA=Not available.

New estimates of farm and off-farm income for recent years have been made since last year, based on data from the 1975 Farm Production Expenditure Survey, the 1974 Census of Agriculture, and other information. These sources suggest a more rapid growth in farms with sales from \$2,500 to \$99,999, and fewer farms, smaller incomes, and larger expenditures for farms with sales less than \$2,500.

Changes in prices received by farmers have an important influence on cash receipts from farm marketings and hence on the distribution of farm family income by value of sales classes.

For example, a farm grossing about \$100,000 in 1960 would be in the \$200,000 sales class now with no change in the volume of marketings, because prices received doubled during this period.

The index of prices received by farmers (1967=100) below shows the pattern during the period covered by the farm income distributions.

PRICES RECEIVED BY FARMERS

Year	1967=100
1960	95
1961	96
1962	98
1963	97
1964	95
1965	98
1966	106
1967	100
1968	102
1969	107
1970	110
1971	113
1972	125
1973	179
1974	192
1975	185
1976	186
1977	183

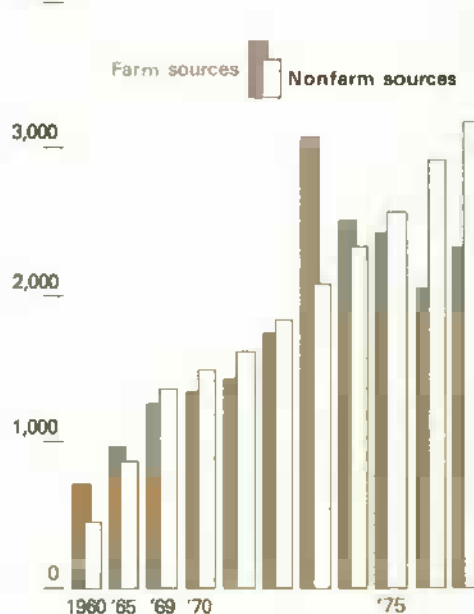
Personal income of people living on farms last year averaged \$5,500 per person, up about 10 percent from 1976. People living on farms include most, but not all, operator families as well as individuals not belonging to operator families. Earnings from farm sources rose for the first time since 1973; earnings from nonfarm sources continued a steady uptrend.

With the exceptions of 1973 and 1974, farm people have earned more than half their income from nonfarm sources over the past decade. Before 1967 and from the beginning of our income series, the situation was reversed.

Ever since the mid-1950's there has been a steady gain in the relative importance of nonfarm earnings. The amount of nonfarm income has shown steady growth for many years. This is probably due more to the general nature of wage and salary increases than to changes in underlying demographic factors.

NONFARM EARNINGS AGAIN EXCEED FARM SOURCES*

\$ Per Capita
4,000



* Personal income of farm population.

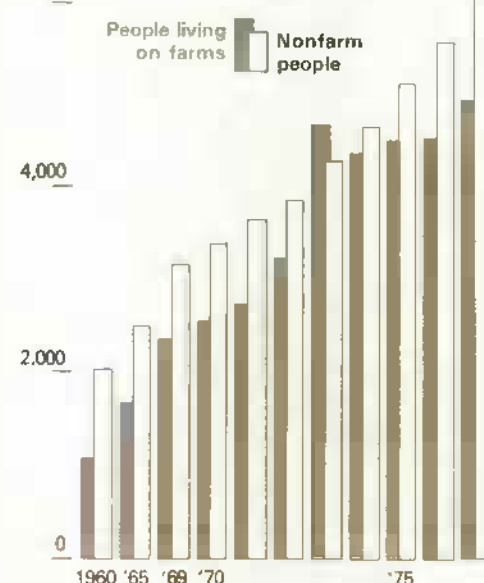
Farm residents' per capita disposable (after tax) personal income from all sources, at about \$5,000 last year, was around 82 percent of the income available to the average nonfarm person. However, the income position of people living on farms relative to their nonfarm counterparts has varied considerably in recent years.

In 1960, farm people earned only 54 percent as much as those living off farms. However with the sharp upturn in farm income during 1973, earnings of farm people that year exceeded nonfarm persons' income for the only time since data were first reported in 1934.

Since 1973, income of farm residents has not kept pace with the general advance in overall disposable incomes. Hence, the income ratio of farm to nonfarm people slipped from 110 in 1973 to 80 in 1976. Current indications for 1978 suggest a small gain in the relative positions similar to that in 1977. *Steven R. Guebert and Charles W. Cobb, (202) 447-8698.*

FARM PEOPLE'S INCOME STILL LAGS NONFARMERS*

\$ Per Capita
6,000



* Disposable (after-tax) personal income from all sources.



Storage and Transportation

Increasing prospects for large feed grain and soybean harvests promise to put additional pressure on the grain storage situation this fall. September 1 corn production estimates posted yet another increase in 10 of the major grain producing States which were analyzed in the August and September issues of *Agricultural Outlook*. These analyses presuppose that commercial storage space is filled first.

Production estimates for soybeans rose slightly, while winter wheat remained unchanged in the majority of the 20 States. In 12 of the 20 States, total crop production estimates increased from the previous month. As a result, implied on-farm storage needs increased in 11 of these States.

On December 1, the majority of the 20 States will require more storage capacity than is available at commercial facilities. Fourteen States (Nebraska, Iowa, Illinois, Ohio, Minnesota, North Dakota, Montana, Colorado, Missouri, Kentucky, Michigan, Indiana, North Carolina, and Wisconsin) will require an overall total of 6.2 billion bushels more than is commercially available, up 500 million bushels from the previous estimate. This is about 2.5 billion bushels less than the estimated total on-farm capacity of the 20 States.

The increase in implied on-farm storage needs on December 1 is primarily the result of continued increases in estimated corn production. As with previous analyses, Ohio continues to be the only State with on-farm storage needs in excess of its estimated on-farm capacity. For Ohio, an implied on-farm storage deficit of 47 million bushels exists by December 1, an increase of 15 million bushels over the previous estimate.

While no other States show any implied on-farm storage deficits, several have storage needs approaching their combined on- and off-farm storage capacity. For instance, Minnesota has storage needs for grain that are only 8 million bushels below its total capacity. Several other States (Nebraska, Iowa, and Indiana) will have only 17 to 23 percent of their on-farm storage capacity unused by December 1.

Though excess storage capacity apparently exists in most of the 20 States, all of it cannot necessarily be utilized. Typically, on-farm storage structures, particularly grain bins, are designed to store only one kind of grain at a time. Thus, any unused capacity in partially filled grain bins can only be used for the same kind of grain that is already in place. A similar situation exists at some country and terminal grain storage facilities where a single bin can store only one kind and grade of grain.

In response to shortages in storage, farmers are continuing to expand their on-farm capacity. Through July 31 of this

year, farmers have applied, through USDA's farm facility loan program, for funding of new storage facilities totaling 205 million bushels.

The 20 States accounted for 176 million bushels or 86 percent of the U.S. total capacity. And of the 20-State total, five States (Iowa, Illinois, Kansas, Minnesota, and Nebraska) accounted for 103 million or slightly more than one-half of the U.S. total.

The recent pace of on-farm storage expansion does not match 1977 when 513 million bushels of on-farm storage capacity were built. Reports of cement shortages, caused in part by a shortfall in railcars to transport it, have slowed construction of storage capacity in some areas.

Transport Shortage Squeezes Storage

The shortage of boxcars remained relatively unchanged through August, and the shortage of covered hopper cars eased somewhat. Even so, the railcar supply remains critical, and the anticipated record corn harvest is expected to return daily shortage levels to 25,000 cars per day or possibly more. The rail strike compounded the problem in September by delaying the movement of grain out of the high-density production areas where storage is a problem. It also created a backlog of car orders which will take several weeks to work off. The rail system is back to performing at or near sustainable capacity but trucks have remained in short supply.

These shortages of transportation service are likely to result in a very tight storage situation in high volume corn producing areas. Terminal facilities are utilizing about 40 percent of available capacity in contrast to nearly 60 percent in the prior year. It appears that on-farm and country facilities are still relatively full, and it is unlikely that enough of the grain now held in these facilities can be moved to terminal markets in time to free up sufficient capacity in all high production counties. Consequently, the transportation squeeze is likely to severely tax local storage capacity

ON-FARM STORAGE NEEDS AND CAPACITY¹

	Implied on-farm storage needs Dec. 1, 1978 ²	1978 on-farm storage capacity ³	Implied on-farm storage deficit Dec. 1, 1978 ⁴
	1,000 bushel		
Iowa	1,244,681	1,492,455	—
Indiana	405,111	506,874	—
Minnesota	1,183,636	1,191,819	—
Nebraska	643,145	832,795	—
Ohio	338,584	291,735	46,849
Total	3,815,157	4,315,678	46,849
20-State total	6,180,404	8,625,204	46,849

¹ Preliminary. ² 1978-79 crop production plus June 1 stocks less consumption to date less commercial storage space (excluding export elevator capacity). ³ Based on April 1 grain storage capacity survey by Inventory Management Division, Agricultural Stabilization and Conservation Service, USDA. Press Release No. 2103-78. ⁴ Computed as implied on-farm storage needs less on-farm grain storage capacity. Negative values omitted.

DAILY AVERAGE OF GRAIN CAR SURPLUS OR SHORTAGE (-)

	1978		1977	
	Boxcar	Cvrd. Hopper	Boxcar	Cvrd. Hopper
Aug. 12 ..	-1939	-10746	2251	-543
Aug. 19 ..	-1927	-9304	3121	41
Aug. 26 ..	-1935	-9263	3165	1098
Sept. 2 ...	-2263	-9254	3706	1001
Sept. 9 ...	-2212	-8225	3722	949

while terminal facilities go under-utilized. In an attempt to alleviate this situation, the Commodity Credit Corporation (CCC) has attempted to move 24 million bushels of corn from Iowa country points to terminal storage in other States, and planned to move another 12 million bushels in early October. Very little of this grain has been moved, virtually assuring that harvest time storage shortages will take place.

Rail Rates Continue Up

Rail rates for farm production have continued to climb. The BLS (Bureau of Labor Statistics) rail freight index rose 0.6 points in August and now stands 8.8 percent above August 1977. Further increases are in sight.

Eastern railroads have received the Interstate Commerce Commission's permission to file tariffs which will increase rates by 3 to 20 percent on 24 selected commodity groups. These increases are likely to be approved and take effect in November. Increases include; 3 percent for grain for export, wheat flour, and most feeds, cakes, and meals; fresh vegetables, 9 percent; and sugar beets and cotton, 10 percent.

In addition, all U.S. railroads have tentatively agreed to seek an 8-percent increase on most commodities effective January 1, 1979. *T.Q. Hutchinson and Floyd Gaibler, (202) 447-6363*



Policy

Following the wheat program announcements of mid-August, the policy focus has shifted to the feed grain program for the 1979/80 crop year.

Decisions on the following items will be forthcoming:

- whether to include barley and oats in the program (corn and sorghum are required to be in the program);
- whether there should be a set-aside requirement and, if so, the proportion of the acreage to be set-aside;
- whether there should be a land diversion program and, if so, the extent of the program and the level of payment;
- in the event of a set-aside or land diversion program, whether planted acreage should be limited;
- the 1979 national program acreage;
- the voluntary reduction required, if any, from the previous year's harvested acreage to guarantee target price protection on total 1979 planted acreage;
- the loan and purchase levels of the 1979 crops of corn, sorghum, barley, oats, and rye, including commodity eligibility, storage requirements, premiums, and discounts;
- target price levels; and
- Commodity Credit Corporation (CCC) minimum resale prices and related provisions necessary to administer the loan purchase and payments program.

The Food and Agriculture Act of 1977 requires that the national program acreage and set-aside decisions be announced by November 15. Feed grain set-aside and diversion programs announced last fall and spring applied to the current harvest, which, combined with carryover stocks, comprises the domestic feed grain supply through September 30, 1979, the end of the 1978/79 marketing year for corn and sorghum. Feed grain program decisions to be announced this month or next will affect the size of the harvest a year from now and its contribution to U.S. stocks for the period 12 to 24 months in the future.

Factors being considered before making the program decisions include projections of domestic livestock inventories and their feed demand during 1978/79 and 1979/80, and feed grain projections in major world production and consumption regions and their effects on U.S. exports and prices during 1978/79 and 1979/80. A general guideline for U.S. carryover stocks is 5.7 percent of world feed grain consumption, an amount judged by Administration officials as a fair share of world feed grain stocks to be held by the United States.

The 1977/78 crop year closed with domestic feed grain stocks slightly above the 5.7-percent goal. Even with the set-aside and diversion programs for this year's crop, projections of 1978/79 feed grain stocks are substantially above the projected goal. A sharp increase in corn yields and moderate participation in the 1978 feed grain program is boosting this year's corn production and largely explains the likely increase in carryover in the fall of 1979 even with expanded use.

A major issue in the 1979 feed grain program is whether in the absence of production restraint the total supply of feed grains will likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency.

If policymakers determine a production reduction is needed, they must then decide how, in the context of voluntary farmer participation, to design the program. They

have the familiar tools of set-aside and diversion to reduce production, plus the option of limiting planted acreage. Each of these three production control measures has its own implications for cost effectiveness and crop management.

A set-aside program requires producers to take land out of production to be eligible for any program benefits. The amount of land set-aside is a specified proportion of the planted acreage of the program crops such as feed grains. Producers can, however, reduce their other crops with the set-aside requirement and plant as much feed grains as they choose. Therefore, set-aside does not directly limit planted acreage of a specific crop; it only determines the amount of acreage that participants may not plant to specified crops.

When the majority of crop producers participate in a program that includes set-aside, both crop acreage and potential production are reduced. If feed grain producers choose to reduce their production through a feed grain set-aside program, then feed grain supplies and ending stocks might be reduced with prices higher than would have occurred otherwise. However, if feed grain producers choose to reduce soybean production instead of feed grains with their set-aside, the program would have little effect in limiting feed grain production.

Farmers weigh the expected benefits of program participation against the costs of complying with set-aside requirements which include giving up an expected net return on

the idled acres. If producers perceive the set-aside requirement as too high and returns too low, they may choose not to participate.

If, individually, the majority of crop producers decide to plant as much feed grain and other crops as they want, and forego program benefits, their collective action could increase feed grain supplies and depress prices. Further, they would not be eligible for target price protection, CCC loans, or the producer-held reserve.

For example, participation in this year's feed grain program included 41 percent of the corn acreage. Producers on the remaining 59 percent chose last summer to market their 1978 crops without direct government assistance.

As a result of the Emergency Agricultural Act of 1978, the Secretary can increase the expected or potential benefits of program participation by raising the target price when a set-aside is in effect. This may encourage producers' participation and help compensate them for production foregone due to the set-aside.

Limiting the planted acreage of a program crop, in addition to a set-aside or diversion program, would assure that the specified crop received the production-control effects of the program. Through a planted acreage limitation, the Government could more effectively reduce acreage of a specific crop than with just set-aside or diversion alone. This form of program, however, narrows the planting choices for the participating producer and might be construed as

unacceptable by farmers who wish to maximize their freedom of choice.

Land diversion programs pay producers directly for cropland withdrawn from production of major crops. As in set-aside programs, diversion programs only specify the amount of acreage to be withdrawn from production; they do not specify the crops that are to be reduced.

The 1977 Act authorizes a bid system for land diversion wherein producers could bid for contracts to divert their land. Although this concept may offer the opportunity of improving the cost-effectiveness of land diversion programs, this type of program has not been used previously.

A feed grain set-aside decision must be announced by November 15; however, a diversion program announcement has no such deadline. Current estimates of world feed grain consumption and U.S. stocks for the coming crop year indicate that the Administration may initiate some type of production control again for the 1979 crop. However, any action is likely to guard against extensive cutbacks that could spawn volatile prices in the event of an unforeseen crop shortfall at home or abroad. Cecil Davison, (202) 447-8840

1978 Rice Crop Eligible for Farmer-Owned Reserve

Rough rice from the 1978 crop was made eligible for immediate entry into a farmer-owned reserve program in late September. Eligible producers will receive a prepaid annual storage payment of 85 cents per hundredweight in addition to the \$6.40 per hundredweight loan. Interest will be charged on the loan the first year the rice is in the reserve but will be waived for the succeeding period.

Participation in the reserve program is limited to producers holding rice allotments or to cooperative marketing associations acting on their behalf. The rice reserve will have a ceiling of 8 million hundredweight.

The rice reserve program can serve as an additional marketing tool allowing producers to isolate rice stocks from the market place when supplies are abundant and prices are at low levels.

U.S. rice stocks at the end of the 1978/79 marketing year (July 31, 1979) are expected to almost double from the 27.4 million hundredweight ending stocks of the previous marketing year.

FEED GRAIN STATISTICS

Crop Year	World consumption	5.7% of world consumption	U.S. ending stocks	Average Price received for corn by U.S. farmers	Acres diverted or set-aside under feed grains Program
	Million metric tons			\$/bushel	Million acres
1966/67	520.7	29.7	33.7	1.24	34.7
1967/68	542.5	30.9	44.0	1.03	20.3
1968/69	547.8	31.2	45.5	1.08	32.4
1969/70	575.4	32.8	44.1	1.16	39.1
1970/71	592.6	33.8	30.1	1.33	37.4
1971/72	614.2	35.0	45.4	1.08	18.2
1972/73	626.9	35.7	30.8	1.57	36.6
1973/74	672.2	38.3	21.5	2.55	9.4
1974/75	633.6	36.1	15.2	3.02	—
1975/76	646.2	36.8	17.2	2.54	—
1976/77	684.1	39.0	29.9	2.15	—
1977/78	687.2	39.2	40.4	2.03	—
1978/79	¹ 706.7	¹ 40.3	¹ 51.8	¹ 1.85-2.05	² 7.7

¹ Projected. ² Preliminary.



Broiler Production Spurred by Declining Beef Output

By Gerald R. Rector and William E. Cathcart
Commodity Economics Division
Economics, Statistics, and Cooperatives Service

With beef output declining this year and expected to decrease further in coming years, broiler producers will take advantage of the situation to set new production records.

Broiler producers throughout their history have shown the ability and inclination to increase production at every opportunity. USDA first reported commercial broiler production in 1934. From that year to the early 1970's, broiler production rose steadily in all but 2 years, 1944 and 1946. Broilers raised increased from 34 million birds in 1934 to 3.1 billion in 1972.

Broiler producers were able to achieve such a phenomenal increase in production and sales because they were able to keep prices of broilers relatively low. The low prices were made possible by comparatively low and stable costs of feed, and by technological advances in producing, processing, the marketing broilers.

The farm price for broilers averaged about 19 cents per pound in 1934, climbed to the 20's and 30's through much of the 1940's and early 1950's, but dropped below 20 cents a pound from 1956 through 1972,

averaging only 14 cents in 1972. In contrast, farm prices of hogs climbed from \$4 per hundred pounds in 1934 to \$24 in 1972, while beef cattle prices rose from \$4 to \$33.50 per hundred pounds.

The expansion of broiler production was restrained during 1973-75 because of a runup in feed costs and unstable economic conditions. But good profits in 1975 and lower feed costs in 1976 caused production to spurt 11 percent in 1976 to 3.3 billion birds. Output continued to gain in 1977, although the increase was only 4 percent above 1976. Expansion in 1977 was moderated by expectations of a sharp gain in pork production and continued large beef supplies.

1978 Output Hits New High

Almost 2.4 billion broilers were slaughtered under Federal inspection during the first 8 months of 1978, up 133 million, or 6 percent from a year earlier. The increase would have been larger if more hatching eggs had been available.

Broiler producers have the reputation of being able to expand output rapidly when conditions are favorable, but occasionally they do not have enough birds in their hatchery supply flocks to expand output as rapidly as they would like. Such was the case earlier this year.

A bird in the supply flock begins laying at 5 to 6 months of age. Each chick takes 3 weeks to hatch, and around another 8 weeks

to reach market age. So, there's an 8 to 9-month lag between the time pullet-chicks are placed in the hatchery supply flocks until their offspring reach the market.

In the summer of 1977, when producers were making plans for early 1978, prospects did not look very favorable for broiler producers. The decline in beef output was expected to be more than offset by a pickup in pork. Thus, broiler prices were not expected to be very strong.

Broiler-type pullet chick placements in hatchery supply flocks in July-September 1977 dropped below year-earlier levels. As prospects improved, producers were able to push the hatch of chicks for meat production in January-February 1978, up 6 percent above a year earlier. However, the hatch in March was up only 3 percent.

Unexpected profits during the last quarter of 1977, and sharply rising prices for red meats in 1978 led to a sharp expansion in chick placements in hatchery supply flocks last fall and the first half of 1978. This has enabled the hatch of broiler chicks for meat production to expand since last March. In August the hatch was 8 percent larger than a year earlier.

Broiler production this fall is expected to be 7 to 9 percent above the 800 million birds slaughtered in October-December 1977. The increase would be larger if producers were not having problems with hatchability. There are ample hatching eggs but the ratio of the number of broiler chicks obtained from the eggs placed in incubators has been running well below last year. This decline is apparently due to disease problems, lower fertility, and the introduction of a new strain of bird into the hatchery supply flocks. Weekly reports indicate that hatchability in recent weeks has been running 3 to 5 percent below the comparable weeks last year.

Further Expansion Likely in 1979

All indications point to a substantial increase in broiler production in 1979. The large corn and soybean crops now being harvested suggest little change in feed prices through most of 1979. Beef and veal production seems likely to decrease 5 to 7 percent. Only a small expansion in pork supplies is expected. Meanwhile, real per capita disposable income is expected to be up 3 to 3½ percent.

In anticipation of strong demand for broilers, the hatchery supply flocks late this year and in the first quarter of 1979 will be 10-12 percent larger than a year earlier.

Considering all of the above factors, an 8-10 percent increase in broiler output in 1979 seems reasonable.

Unexpected developments such as a prolonged rail strike could significantly alter the expected expansion. Although the soybean crop is large, supplies will remain relatively tight. Large harvest losses and/or increased domestic and foreign demand could result in higher costs for soybean meal. Competing meat supplies could be larger and/or real income growth slower than expected. Also, a continuation of recent hatchability problems into 1979 could drop output below current expectations.

It is doubtful that broiler output could be boosted much more than 8 to 10 percent in 1979 even if prospects improve. The availability of primary breeder flocks, hatchery capacity, growout facilities, and processing plant capacities is likely to limit expansion.

Lower Beef Output Will Help Broiler Producers in Coming Years

During the next few years beef production will decline and remain below recent levels. This is dictated by the small size of the current cattle herd and the slow rate of reproduction of cattle. The timing of herd rebuilding and rate at which it takes place will determine beef production during the next several years.

A slow rate of rebuilding would mean moderate declines in beef production in 1979 and the early 1980's. However, it would also mean that it could be the mid-1980's before beef output turns upward. A rapid rate of rebuilding would cause a substantial decrease in beef production during the next couple of years, but output would likely turn up in the early 1980's.

Whatever the rate of rebuilding, it probably will be 1983 at the earliest before beef output gets back to the 1978 level. Considering the increase in population, it may be the mid-1980's before the per capita supply of beef and veal reaches the 1978 figure.

Red meat and poultry production depend largely on feed prices and the health of the general economy. If there is a normal growth in real income and adequate supplies of feed with no unforeseen large swings in feed costs in coming years, the decrease in beef production will provide an opportunity for poultry and pork supplies to be increased.

Consumption of red meats (carcass weight) and poultry (ready to cook) will total around 242 pounds per person this year, with beef and veal making up about 123 pounds. If net imports of beef and veal remain equivalent to about 7 percent of domestic production, consumption of beef and veal may drop to 105-110 pounds per person by 1980.

To offset the drop in beef and veal, per capita consumption of poultry, pork, lamb, and mutton combined would have to increase 13 to 18 pounds.

Turkey consumption could increase $\frac{1}{2}$ to 1 pound per person while chicken, other than broilers, will likely remain fairly stable. So most of the increase would have to come from pork and broilers.

Per capita broiler consumption in 1978 is running 45 pounds, carcass weight, while pork is 61.5 pounds. If these proportions are maintained, broiler consumption in 1980 would have to be 50 to 52 pounds, and pork 70 to 72 to offset the shrinkage in beef and veal. With a population of 220.3 million in 1980, carcass weight of pork would have to increase 2.1 to 2.5 billion pounds, and broilers 1.3 to 1.7 billion pounds.

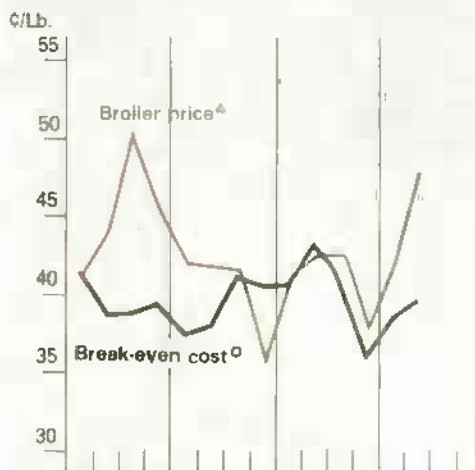
An increase of 1.3 to 1.7 billion pounds, 13 to 18 percent, in broiler consumption from 1978 to 1980 seems easily attainable since it could be up 800 to 900 million pounds in 1979 alone. Another substantial increase would likely occur in 1980 if pork production continues to show only small increases.

During the past couple of years the pork industry seems to have had the economic incentives to sharply expand output, but various factors such as disease and weather seem to have prevented it. Also, the industry has undergone substantial structural change in the past decade or two. There are fewer so-called inners and outers, and the industry is beginning to be dominated by large producers. For the larger producers to expand substantially would require large capital investments.

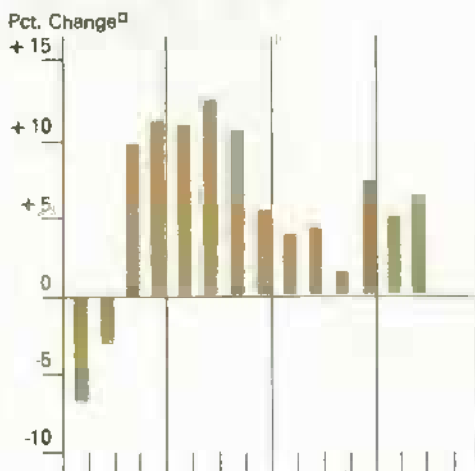
The disease problems, structural changes in the industry, and concern and uncertainty generated by the nitrate issue have made forecasting pork production during the coming years a formidable task.

With beef output expected to be below the 1978 level until 1983 or so, stable feed costs and continued growth of the economy likely would lead to continued expansion in broiler production. If pork does not show any sharp increases in output, broiler production may show an average increase of 3 to 5 percent per year during the early 1980's.

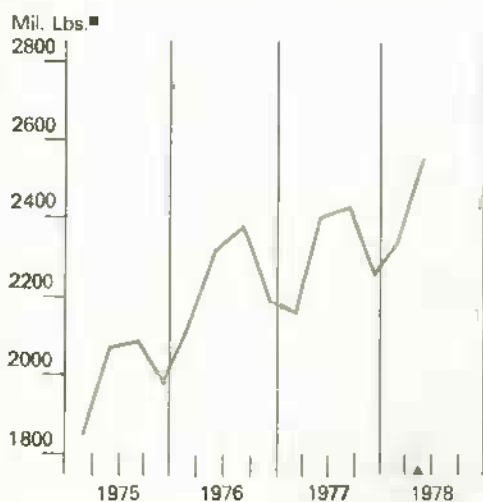
FAVORABLE RETURNS TO BROILER PRODUCERS...



... ENCOURAGE INCREASED BROILER CHICK HATCH ...



... LEADING TO LARGER BROILER MEAT OUTPUT



▲ 9-city weighted average. ○ Estimated U.S. average.
□ From year earlier. ▲ Estimated. ■ Federally inspected slaughter.



Commodities

Among the major agricultural developments during 1978 which will have a strong influence on the agricultural situation during the next several months are:

- Large carryovers of grain. Stocks of wheat on June 1 were 1.17 billion bushels, nearly 3½ times the low amount carried over into 1974. The carryover of feed grains (corn, sorghum, oats and barley) probably totaled about 40 million tons, 2½ times the low carryover in 1975.

- Widespread improvement in crop yields. In most areas of the United States crop yields were better than in 1977. The principal exception was Texas, which suffered from severe drought. Some places in Texas later were hit by floods. Dry weather persisted in parts of the Southeast, but it was not so serious or extensive as last year. In some States that had drought in 1977, for example California and the Dakotas, there were areas that received too much rain this year.

Many areas started the season with ample to excessive soil moisture. Much planting was late east of the Rockies. But then rainfall and temperatures were generally favorable for rapid development of crops.

- Feed production at new high. It appears that new production records are being set for corn, total feed grains, hay and soybeans. New records are also likely for rice and peanuts.

Wheat output was restrained by farmers' participation in the USDA acreage set-aside program. Cotton production was held down by unfavorable weather.

- Lower output of beef, veal and lamb. These reductions, however, are being offset by increased output of pork—and especially poultry.

Production of beef and veal this year is expected to total about 24½ billion pounds. This would be 5 percent less than last year, and 7 percent less than the record output 2 years ago. Output of beef and veal has been decreasing because unfavorable returns caused many farmers to reduce or eliminate their herds.

Pork output is expected to be about 2 percent above the 13 billion pounds produced last year. That would be 13 percent more than the cyclical low of 11.8 billion pounds 3 years ago. Production of poultry this year seems likely to total about 13 billion pounds, up 7 percent from the 1977 level.

Egg production for the year may total about 5½ billion dozen, up 2 percent from 1977. Milk output is expected to total 122 billion pounds, down 1 percent from the 1977 volume.

The large supply of grains has almost assured low costs of feed during most of the year ahead. Further, consumer demand for beef, pork and poultry is strong. Favorable returns from these products are encouraging farmers to increase production.

Production of hogs and broilers in 1979 will surely expand, but output of beef, veal and lamb likely will shrink. Expansion can occur quickly with hogs and broilers because of their rapid reproduction rates. In contrast, numbers of cattle and sheep have been sharply reduced in recent years, and their reproduction rates are relatively slow. Further, farmers would have to reduce sales of cattle and calves for slaughter for a few years in order to rebuild their herds. The same conditions apply to sheep and lambs.

Recent returns from milk and eggs have provided little incentive for producers to make any substantial changes in production of these two products. *Larry Simerl, (202) 447-8636*

Record Number of Cattle on Feed

Record-large numbers of cattle have been placed in feedlots this past spring and summer. On September 1 the number of cattle on feed in the seven major cattle feeding States was estimated at 7.84 million, 16 percent more than a year earlier.

This larger number of cattle in feedlots will result in year-to-year increases in fed cattle slaughter during the next several months. Declines in nonfed or lean beef will more than offset the increase in fed beef so total beef production will continue to decline.

Prices for Choice slaughter steers will probably remain in the mid-\$50 per 100 pounds range through the first quarter of 1979. Additional price strength is likely during the spring. Retail beef prices are expected to continue to ease off this fall but may start to rise near yearend.

More Pork Expected During 1979

Pork production during the first three-quarters of this year was less than 2 percent above the year-earlier level. And based on the September 1, 1978 inventory of market hogs in the 60 to 180 pound groups, production this fall will not exceed that of a year ago.

A larger increase in pork output is anticipated for 1979, on the basis of the September Hogs and Pigs report. Market hogs and pigs weighing under 60 pounds were off 2 percent from the year before. These hogs will move to slaughter in early 1979. Lower grain prices may encourage farmers to market these hogs at heavier weights. Therefore, first quarter pork production may be about the same as a year earlier.

Producers' farrowing intentions also suggest larger pork production in 1979. They reported intentions to farrow 3 percent more sows during September-November than a year earlier, followed by another 3-percent increase for December-February. Hogs from these pig crops will move to slaughter during the second and third quarters of 1979.

Barrow and gilt prices at seven major markets have been in the upper \$40 per 100 pounds most of this year. They are expected to remain in the upper \$40's this fall. If pork production this winter is about the same as a year earlier, prices of barrows and gilts will probably average in the upper \$40's to low \$50's. *James E. Nix, (202) 447-8972*

Dairy Prices Stabilize

Wholesale dairy product prices rose well above support levels in late July and early August, then leveled off. Essentially, the supply-demand picture for milk and dairy products remains unchanged. It is dominated by low commercial stocks, reduced milk output and brisk commercial use. These conditions probably will provide moderate strength in dairy product and farm milk prices through at least yearend. However, very large USDA stocks of butter and nonfat dry milk will limit price advances.

Milk production in August was 1 percent less than a year before reflecting a continued decline in milk cow numbers and steady output per cow. Production probably will remain below the 1977 level this fall, but likely will move closer to (or possibly above) the year earlier volume in early 1979.

Farmers received an average \$10.40 per 100 pounds of milk in August, up almost 8 percent from a year before, but only starting to reflect changes in wholesale prices.

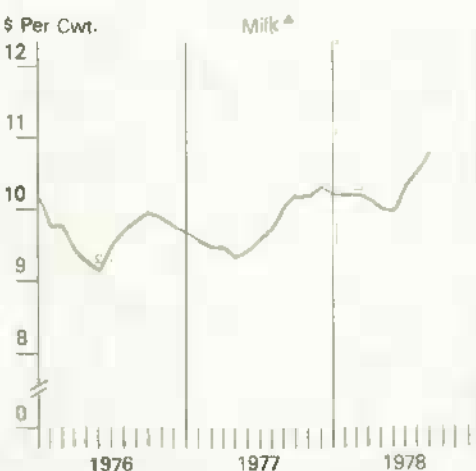
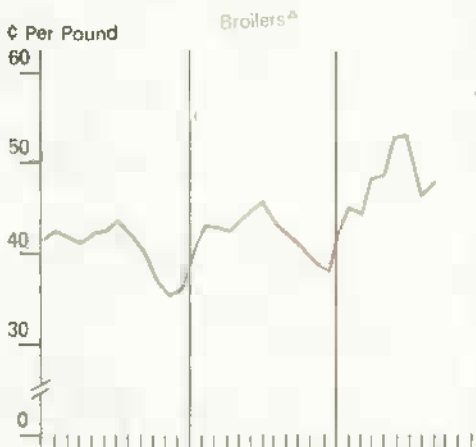
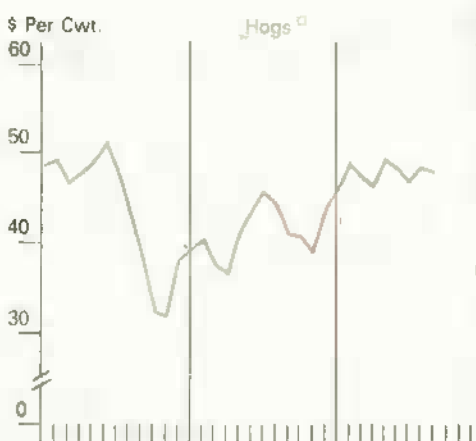
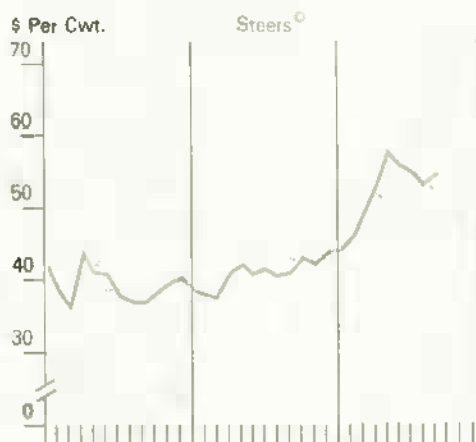
On October 1, the support price of manufacturing grade milk was raised to \$9.87 per 100 pounds. However, milk prices probably will run above the new support price until at least the end of the year. *James Miller, (202) 447-8915*

Egg Production Leveling Off

Egg production continues to exceed year-earlier levels but the margin is narrowing. Output for July was up 3 percent from 1977, but August was up only 2 percent. Layer numbers on September 1 only equaled the year earlier number, and may drop below 1977 levels this fall because fewer replacement pullets will be available to enter the flock.

Egg prices likely will strengthen this fall and may average 4 to 6 cents above the 59 cents a dozen during October-December 1977, but drop slightly during January-March. These prices would be 3 to 6 cents higher than those of a year earlier. Summer prices for Grade A large cartoned eggs in New York averaged about 62 cents a dozen, about the same as July-September 1977.

LIVESTOCK PRICES CHANGE LITTLE



○ Choice steers, Omaha. □ Barrows and gilts at seven markets. ▲ Broilers at nine cities. ▲ Farm price.

Turkey Prices Up

Turkey supplies for October-December, though relatively large, may not quite match those of a year ago because of smaller cold storage stocks. Output of turkey meat is expected to be up a bit because of heavier market weights. The number of turkeys marketed may not differ much from 1977.

Turkey prices are expected to stay strong this fall. The reduced cold storage stocks coupled with higher prices for competing meats likely will hold the New York wholesale price for 8-16 pound young turkeys near the recent 68 cents a pound level. This compares with 61 cents for October-December 1977. Prices during January-March may average a cent or 2 higher than a year earlier when the average was 60 cents a pound. *William E. Cathcart and Gerald R. Rector, (202) 447-8801*

World and U.S. Sugar Stocks Have Been Increasing

World stocks were estimated at about 29.1 million metric tons on September 1, up 21 percent from a year before and up nearly double the low stocks of four years ago. World sugar production in 1978/79 is expected to total between 87 to 91 million tons, while consumption is expected to be around 88 million tons. Hence, there could be a further slight addition to present large world stocks.

Mainland U.S., sugar stocks on July 1 were about 3.1 million short tons (raw value), up 10 percent from a year earlier, and 57 percent larger than four years earlier. U.S. production of beet and cane sugar during 1978/79 is forecast at 6.0 to 6.15 million tons, up from 5.8 million during the past year. The anticipated increase comes mostly from a prospective larger sugarbeet crop.

U.S. imports of raw sugar during 1978 have been running 20 to 30 percent less than in 1977 when a record 6.14 million short tons was brought in.

- Prospective price-making factors during the next several months include uncertainties and/or decisions concerning the 1978/79 level of U.S. import fees,
- U.S. and international sugar policies,
- the volume of U.S. and global imports,
- CCC sugar loan activity.
- U.S. and world sweetener consumption, and
- 1978/79 U.S. and world sugar production levels. *Thomas Little, (202) 447-7290*

Feed Grain Crops New Highs

September 1 prospects pointed to a record corn crop, some 7 percent more than the record crop last year. Production of the four feed grains (corn, sorghum, oats, and barley combined) was forecast about 3 percent more than last year's record output.

With large carryover stocks totaling about 40 million tons, crops of this size would make the feed grain supply for 1978/79 up about 8 percent from 1977/78 and the largest ever.

Domestic use of feed grains likely will be up about 5 to 7 percent in 1978/79, due mainly to increased feeding of livestock and poultry. Exports probably will be only moderately below the estimated 1977/78 record. The carryover will be up again at the end of 1978/79, but much of it will be in the loan program and the farmer-held reserve.

Corn prices may not drop as low at harvest as last year, but are also not likely to strengthen after harvest as much as in 1977/78. Corn prices at the farm may average \$1.85 to \$2.05 per bushel in 1978/79, compared with \$2.03 estimated for 1977/78. *George R. Rockwell, Jr. (202) 447-8636*

Wheat Prices Strong Despite Large Supplies

Strong export demand, orderly producer marketing, and the holding of a large amount of wheat in the farmer-held reserve supported new crop wheat prices at 70-80 cents per bushel above 1977 harvesttime prices, despite the fact that supplies are only 6 percent below last year's record 3.1 billion bushels.

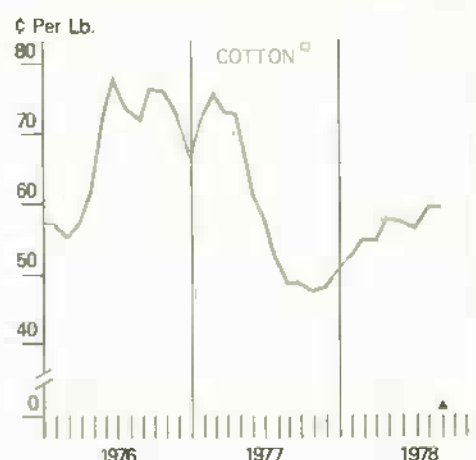
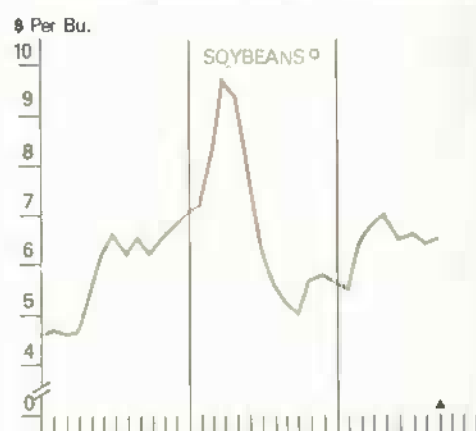
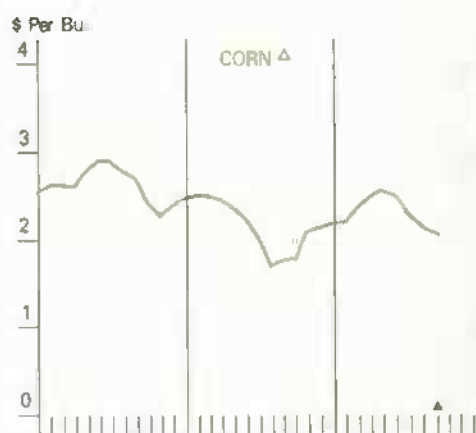
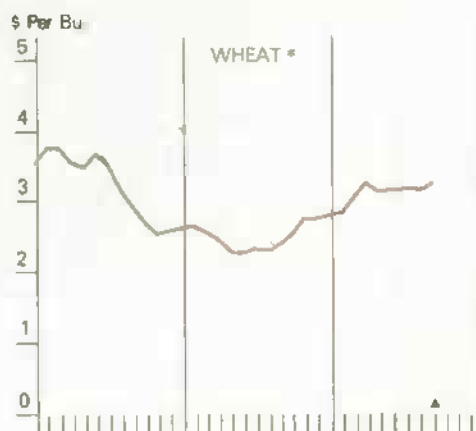
Further large export sales will be needed to maintain prices at recent levels. As the large 1978 world wheat crop reaches the marketing stage, aggressive selling from other exporting countries is likely to diminish prospects for substantial price improvement.

Rice Supplies a Record; Prices Drop

With record plantings and expected higher yields, the 1978 U.S. rice crop jumped to an all-time high of 137 million cwt. Including the old crop carryover, supplies for 1978/79 will be record 164 million cwt. Stocks at year end are expected to nearly double this August's 27 million cwt, as domestic and foreign use are not likely to show much increase over last year.

Record rice supplies suggest the average farm price may tumble from last season's \$9.43 per cwt., to within the range of \$6.50 to \$7.50. *Allen Schienbein, (202) 447-8636*

CROP PRICES REFLECT SUPPLIES



*No. 1 Hard Winter, Kansas City. ΔNo. 2 Yellow, Chicago. ○No. 1 Yellow, Chicago. □Spot Market, 1-1/16" SLM. ▲Average through September 22.

Soybean Supply Up Slightly; Demand Continues Strong

Strong domestic and foreign markets are expected to further expand soybean utilization in the face of a record U.S. crop, pointing to relatively low carryover stocks next September 1. Record domestic use of soybean meal is expected as a result of the expansion in feeding of livestock and poultry. Foreign demand for high protein meal is also expected to continue strong as livestock and poultry feeding increases, particularly in Europe and Japan.

The heavy requirements for animal feeding should generate soybean crushings of about 4 percent above last year's 927 million bushels. Soybean exports may increase somewhat from the 700 level. Export demand is expected to be especially strong this fall and winter since the United States will be the only major supplier of soybeans during this period. Exports in the second half will be influenced by competition from Brazilian and Argentine soybeans that are harvested next spring.

Soybean prices to U.S. farmers are expected to average around \$6 per bushel, up a shade from 1977/78. Prices should be strong during the first half of the season. But in the second half (March-August 1979) prices may soften if the Brazilian soybean crop is large. *Stanley A. Gazelle, (202) 447-8444*

Raw Cotton Exports Expected To Increase

Cotton production in early September was forecast to be 6 percent less than a month earlier and more than a fifth less than last year's output. Forecast yields of 436 pounds an acre reflected this year's unfavorable growing season. They're off 84 pounds from last year's near-record and 44 pounds under the average of the past 5 years. Final estimates of yield and production may be even lower because of the lateness of the crop and prolonged drought in the Texas High Plains.

Disappearance during 1978/79 may be slightly less than the 12 million bales in 1977/78. Domestic mill use may slip a bit due to limiting an excess of denim fabric, large imports of cotton textiles, and strong competition from manmade fibers. Textile mills recently were buying polyester staple for about 54 cents a pound while paying around 64 cents for cotton.

Exports of raw cotton are expected to increase slightly this season. The carryover of cotton next August 1 is projected at 4½ to 5 million bales compared with the 5.3 million bales carried over this year. *R. Samuel Evans, Jr., (202) 447-8776*

Larger Tobacco Crop, Higher Prices Bring Record Grower Income

The September 1 estimate of the U.S. tobacco crop was 2.0 billion pounds, up 5 percent from 1977 due to 6 percent higher yields. This slightly exceeds recent utilization and expected disappearance in 1978/79.

Worldwide, prospects point to another gain in cigarette sales. U.S. cigarette production is expected to gain, and U.S. tobacco leaf export prospects have improved due to a slowdown in the growth of competing supplies. Also, the strengthening of major foreign currencies could support demand for U.S. tobacco. Leaf exports for the year ending June 30, 1979, may match the previous year's total of 617 million pounds (706 million, farm sales weight).

U.S. manufacturers' imports (for consumption) gained in 1977/78 as oriental tobacco supplies increased. During the year ending June 30, imported leaf accounted for about 20 percent of tobacco used in cigarettes and about 70 percent of that used in cigars.

Sales of the 1978 flue-cured tobacco crop began on July 19. By mid-September, growers had marketed half the crop with only 4 percent of all flue-cured marketings going under loan. Weekly price averages fluctuated but stayed well above year-earlier levels due to higher prices for the better grades and improved quality. Through the third week of September, weekly sales averaged \$1.35 per pound, 17 cents above a year earlier.

Farmers' cash receipts and net returns from tobacco will rise from the 1977 level because of higher prices and increased yields. *Dick Hall, (202) 447-7290*

Mushrooms Set New Records

U.S. mushroom production set another record in 1977/78 as output totaled nearly 400 million pounds, up 15 percent over a year earlier. Pennsylvania, the leading State, accounted for 220 million pounds or 55 percent of the U.S. total.

The value of this specialty crop is increasing rapidly. The 1977/78 production was worth \$308 million, up 30 percent from 1 year before, and up 60 percent from 2 years earlier.

Fresh market sales of mushrooms at 191 million pounds rose 26 percent over a year earlier, and fresh use absorbed 48 percent of U.S. output. The average price for the crop moving through these market channels reached 90 cents a pound, the highest of record.

Domestic processed mushroom use also gained during 1977/78, though progress was less spectacular. Processor use gained 6 percent, accounting for 208 million pounds canned, or canned as soup. In addition to domestic production, 92 million pounds of canned imports moved to this country.

Per capita use of fresh and processed mushrooms in 1977/78 advanced to 2.5 pounds per person, raw weight basis.

Looking ahead to 1978/79, mushroom canners continue to be concerned about increased import activity. Growers expect to increase their production area by 11 percent to capitalize on the currently strong fresh market demand. *Charles W. Porter and Joseph C. Podany, (202) 447-8666*

Production of Tree Nuts Down; Prices Are Higher

California almond production at 170,000 tons, is 32 percent less than last year's record crop. With the smaller U.S. crop and larger prospective crops in Morocco, Spain, and Portugal, U.S. sales of almonds abroad during the coming season are likely to be reduced from last year's record level. Last year, shipments of almonds reached record high levels with foreign markets accounting for 62.7 percent of total sales, up from 61.7 percent in 1976/77. With the sharply smaller 1978 crop in prospect, grower prices for almonds are expected to rise substantially above last year's price of \$1,030 per ton.

The California walnut crop is forecast at 160,000 tons, 17 percent less than the 1977 crop. The 1978 pecan crop is forecast at 221 million pounds, 6 percent less than last year, but more than double the short 1976 crop. Prices for new crop walnuts and pecans have not been established. The reduced crops plus higher prices of such competing tree nuts as almonds, Brazils, and cashews are expected to keep prices of walnuts and pecans above year-earlier levels.

Oregon and Washington filbert production is forecast at 11,800 tons, the same as last year. The crop is expected to mature earlier than in 1977. With the smaller crops for other tree nuts in prospect, grower prices for filberts is likely to average higher than a year ago. *Jules Powell and Ben Huang (202) 447-7133*

Rain Damages Raisin Crop

Heavy rains during the first week of September in the Fresno and Kern country areas of California seriously affected the raisin crops in those areas. Approximately 80 to 90 percent of the raisin lay had been completed but only 5 percent rolled, so the raisins were extremely vulnerable to the torrential rains.

Growers have been using backpack blowers and helicopters to dry trays, and grapes have been sprayed to reduce mold. While it is too early to estimate the extent of the damages or the portion of the crop that can be salvaged, industry sources indicate losses may exceed those following the 1976 September rains.

Raisin packers remain withdrawn from the market. Field prices have not been established, but with short supplies, prices at all levels are expected to top the 1976 levels. *Jules Powell and Ben Huang, (202) 447-7133*

Steady Fertilizer Prices Seen For 1978/79

Fertilizer prices likely will be relatively stable through mid-1979. Expected favorable fertilizer-crop price ratios should encourage farmers to apply generous amounts of fertilizer, and rates of application will probably rise after slipping last year.

If acres planted in 1979 are close to 1978, consumption should total near the 1976/77 record and could even set a new high in 1978/79, depending on the level and mix of acreage planted to major crops.

Here's how the situation looks for the principal nutrients:

Nitrogen. Large inventories, adequate production capacity, and availability of imports will probably keep prices close to current levels.

Phosphates. Supplies are large—and exports are expected to continue brisk into the next fertilizer year. Exports have helped to reduce supply pressures brought on by expansions in capacity in recent years.

Potash. Imports will continue to provide about three-fourths of U.S. requirements. Total supplies should be adequate for the 1978/79 fertilizer year, with prices expected to be close to year-earlier levels.

After a slow start, the 1977/78 fertilizer year finished in a rush, with unusually heavy fertilizer movement in June. However, this did not offset the slack early season movement, and fertilizer consumption was down from a year earlier. *Paul Andrienas (202) 447-6620*



World Agriculture and Trade

Although overall economic growth in the industrialized countries of the world may pick up some next year, expansion in 1978 will average near 1977's 3.6-percent rate. The European Community (EC) nations as a group may show some improvement this year over last, but their forecast 2½ percent growth rate is still very low.

In most major developed countries unemployment remains high. At the same time, inflation is running at a 7-percent annual rate, and capital investment in new plants and equipment still lags.

The developing countries (excluding major oil producers) will continue to expand faster than the developed nations. However, with an average economic growth rate of about 5 percent this year, their growth will drop about 1 percent below the rate achieved during 1967-1972. This slowdown, along with burgeoning populations, will mean reduced gains in per capita income.

Considering the slow recovery of the industrialized countries from the 1973-1975 recession, the developing nations have done well in maintaining economic growth and investment. Reduced productivity in the capital-intensive developed economies appears to be encouraging investment in the developing countries with their lower wage rates.

Investment flows and increased import demand by the nations of the Organization of Petroleum Exporting Countries (OPEC) also are benefiting a number of developing nations.

Economic growth in the OPEC countries will fall to about 5 percent in 1978, primarily because of a substantial decline in oil output. These countries are rapidly expanding other sectors of their economies to reduce their dependence on oil exports, but crude oil output still accounts for about two-fifths of their combined gross domestic product.

U.S. economic growth has slowed in recent months while growth rates have picked up in other major economies. In time, the shift could help our trade balance as U.S. demand for imports slows while demand strengthens in other countries for U.S. exports. There may even be some signs of improvement in the U.S. trade balance before the end of the year.

However, for this year as a whole, the U.S. trade deficit will be substantial again. Any net positive effects on the U.S. trade volume from the continuing depreciation of the U.S. dollar against the Japanese yen and major West European currencies probably will have been offset by higher prices—in dollars—of imports.

REAL ECONOMIC GROWTH RATES IN MAJOR U.S. FARM EXPORT MARKETS

	Average 1964-74	1977	Estimated 1978	ForeCast 1979
	Percent			
Canada ..	5.1	2.6	4.5	5
Italy	4.5	1.7	2.6	3
Japan ...	8.6	5.1	5.7	6
Korea ...	10.4	10.3	10½	10
Nether- lands ..	4.7	2.3	4.0	5½
United King- dom ..	2.3	.8	2.9	3
West Ger- many	3.6	2.5	3.1	4

Sources: IMF, OECD, Project LINK.

1978/79 World Oilseed Production Expanding

World production of high-protein meal in 1978/79 is expected to rise well above trend, increasing about 7 percent from last year to around 82 million metric tons, soybean meal equivalent. (This estimate is tentative because the important Southern Hemisphere crops are not yet planted.)

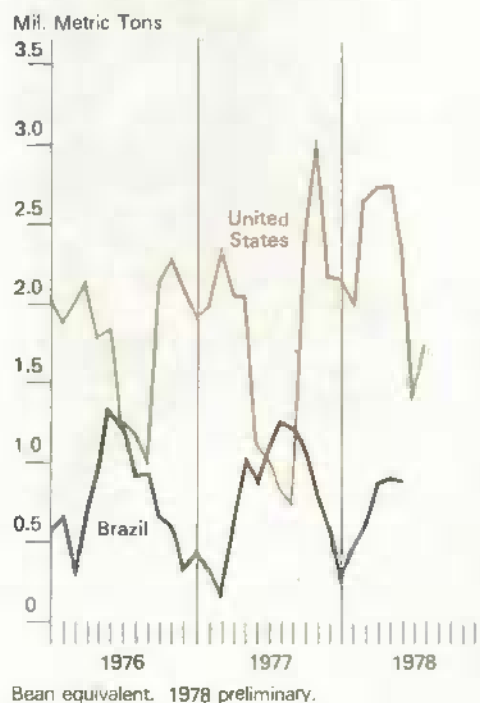
Anticipated increases in soybean production in Brazil and Argentina are expected to account for much of the increase. The 1978 Brazilian crop is forecast at 13½ million tons, up from the 9.9-million-ton 1977 harvest. Argentine production is expected to rise a fourth to about 3 million tons.

The Canadian rapeseed and Senegalese peanut crops also are expected to be substantially larger in 1978/79, and the Indian peanut crop is up almost a tenth. The 1978 Soviet sunflowerseed crop is estimated at 6 to 7 million tons, up from 5.9 million harvested in 1977.

World production of fats and oils also is expected to remain above trend in 1978/79, rising about 4 percent above 1977/78 production of 52 million tons. The anticipated increase is due to larger output of edible vegetable oils. Production of animal fats may dip slightly. Malaysian palm oil production may be up almost a fourth.

Demand for both meal and oil remains very strong. Apparent world consumption of edible vegetable oils is up about 9 percent in 1978, and a further increase of around 6

U.S. AND BRAZILIAN EXPORTS OF SOYBEANS AND SOYBEAN MEAL



percent is expected in 1979. World protein meal consumption is up about 10 percent in 1978, and 1979 consumption is expected to rise about 6 percent to around 81 million tons.

Eastern Europe and the USSR gradually are expanding the use of protein meals as their livestock industries are improved. Feeding margins have been good in the developed countries. In the EC, the high price of feed grains further encourages the use of high-protein feeds. Feeding of oilseed meals in conjunction with low-protein feedstuffs such as tapioca is increasing.

U.S. soybean exports in 1978/79 are expected to surpass 1977/78 record exports of an estimated 19.1 million tons. Meal exports may decline slightly, and soybean oil exports are expected to fall.

Brazilian soybean and meal exports are concentrated in the summer months when U.S. supplies generally are short. Anticipating that prices may weaken when U.S. soybeans enter the market, Brazil has exported most of its limited supplies by now. Thus, U.S. soybeans will have little competition during the first half of the marketing year. However, competition is expected to become stiff after April 1979 if the anticipated large 1979 Brazilian and Argentine harvests are achieved.

Meat Consumption on the Rise

Per capita consumption of meat increased in most countries in 1977. In the U.S. it was 112.7 kilograms, about the same as 1976, a little less beef but more pork and poultry. Fish was not counted. Other countries eating more than 100 kg were Argentina, New Zealand, Canada, and Australia, still the champion at 120 kg per capita.

World Nitrogen Fertilizer Export Supplies Increasing

Although excess ammonia capacity exists in North America, Western Europe, and Japan, new production facilities in the USSR, Mexico, Trinidad and Tobago, and elsewhere are contributing significantly to increased world nitrogen export supplies.

Soviet ammonia exports will probably reach 700,000 tons this year, making the USSR one of the world's largest ammonia exporters. Mexico expects to have a third of a million tons of ammonia available for export this year following capacity expansions there.

World Cotton Production Lower In 1978/79

Reduced area and slightly lower expected yields are behind the anticipated decline in world cotton production from 63.7 million bales in 1977/78 to around 61½ million. The drop in world output is less than the forecast decline in U.S. production. Weather problems have cut production prospects in several other exporting countries, but overall foreign production is expected to be up about 2 percent.

World cotton consumption is expected to increase only marginally in 1978/79, falling well below trend. Most of the growth is expected to occur in Asia, especially South Korea and India.

World cotton trade is expected to decline about 3 percent in 1978/79. Exports from several major suppliers are reduced this year because of smaller production levels or expanded domestic use. U.S. exports are expected to remain near the 1977/78 level of 5½ million bales. *Sally Breedlove Byrne, (202) 447-8260*

WORLD AND U.S. COTTON EXPORTS



Foreign Agriculture Circulars

USDA's Foreign Agricultural Service issues a number of Foreign Agriculture Circulars at irregular intervals during the year on various commodities and export services for the food and agricultural trade. These circulars are distributed without cost to U.S. residents. If you wish to be placed on the mailing list for any of these reports, you should write to: Foreign Agricultural Service, Information Division, Information Services Staff, Room 5918 South, U.S. Department of Agriculture, Washington, D.C. 20250.

Titles

Oilseeds and Products
Grains other than rice
Livestock and Meat
Cotton
Coffee
Dried Pulses
Processed Fruits
Fresh and Processed Citrus Fruits
Cocoa
Dairy
Fresh Deciduous Fruits and Grapes
Dried Fruits
Hops
Tree Nuts
Poultry and Eggs
Rice
Seeds, Field, and Vegetable
Sugar
Tea and Spices
Tobacco
Vegetable Fibers
Wool
Honey
Fresh and Processed Vegetables
Table Olives
Strawberries and Other Berries
Tropical Fruits

Research Newsletter on Soviet Agriculture

A newsletter for researchers on Soviet and East European agriculture will soon be on the scene, published under the auspices of the Kennan Institute for Advance Russian Studies and the Committee on Research and Development of the American Association for the Advancement of Slavic Studies.

For further information or to submit material for publication, write Kenneth Gray, Department of Economics, University of Kansas, Lawrence, Kansas 66045. Telephone 913-864-3501.

OUTLOOK '79

FOOD AND AGRICULTURAL OUTLOOK CONFERENCE

NOVEMBER 13-16, 1978



U.S. DEPARTMENT
OF AGRICULTURE

WASHINGTON,
D.C.

Watch for **OUTLOOK '79**—your source for the most up-to-date forecasts of what's going to happen to food and agriculture next year. Scheduled to get underway November 13 in Washington, D.C., the 1979 Food and Agricultural Outlook Conference will focus on the latest thinking on the U.S. and general economies, world trade, weather and climate, retail food supplies and prices, food and fiber policy, food marketing and distribution, nutrition and diets, and inflation. Details regarding the outlook for major farm commodities will be discussed in separate sessions, and there will also be sessions on credit and finance and transportation and storage.

For those with consumer-oriented interests, family living sessions will cover the latest on consumer legislation, clothing, housing, health care, and food consumption.

At right is an early guide to times and topics. The Conference is open to the public and there is no charge to attend.

If you can't attend the Conference in person, the next issue of *Agricultural Outlook* will brief you on the highlights. But you may also want to write for a copy of the Conference Proceedings, available soon after the close of the Conference. To receive either a preliminary program or the Conference Proceedings, just send separate postcard requests to: Donnell Royster, USDA-ESCS, Room 0054, South Building, Washington, D.C. 20250.

General and Commodity Sessions

MONDAY, NOVEMBER 13

Jefferson Auditorium
USDA South Building

- 1:00 Opening Remarks
- 1:10 Overall U.S. Trade Concerns
- 1:40 U.S. Agricultural Trade Concerns
- 2:30 Panel Discussion:
Will the World Move Toward Freer Trade or Managed Trade?
- 3:15 USDA Perspectives on Farm, Food, and Fiber Policy
- 3:45 Other Perspectives
- 5:15 Buffet Supper and Cash Bar (Cafeteria, USDA South Building)

TUESDAY, NOVEMBER 14

Jefferson Auditorium
USDA South Building

- 9:00 The U.S. Economic Outlook in World Perspective
- 9:30 World and U.S. Agricultural Outlook
- 10:00 U.S. International Agricultural Trade Outlook
- 11:10 Outlook for Food
- 12:00 Luncheon Dialogue on Earlier Sessions (Room 1329, USDA South Building)
- 1:15 Transportation and Storage Outlook for Agriculture
- 1:45 Sugar and Sweetener Outlook (South End, Cafeteria, USDA South Building)
- 2:45 Tobacco Outlook (Room 218, USDA Administration Building)
- 3:00 U.S. and World Cotton Outlook (South End Cafeteria, USDA South Building)
- 3:00 U.S. Dillseeds and Products Outlook

WEDNESDAY, NOVEMBER 15

Jefferson Auditorium
USDA South Building

- 8:15 Food Grain Outlook
- 9:30 Fruit and Tree Nut Outlook (South End, Cafeteria, USDA South Building)
- 9:30 Credit and Finance Outlook (Room 218, USDA Administration Building)
- 10:00 Outlook—Vegetable and Potato Outlook (South End, Cafeteria, USDA South Building)
- 10:15 Feed Grain Outlook
- 12:00 Luncheon Dialogue (Room 1329, USDA South Building)
- 1:00 Livestock and Meat Outlook
- 2:00 Outlook for Forest Products (Room 3840, USDA South Building)
- 3:15 Dairy Outlook
- 3:15 Poultry and Egg Outlook (Room 218, USDA Administration Building)

THURSDAY, NOVEMBER 16

Jefferson Auditorium
USDA South Building

- 8:00 Policy Issues and Weather
- 8:20 Agricultural Weather Information Needs—Present and Future
- 8:40 Soil Moisture In Relation to Weather
- 9:00 Weather and Production Prospects
- 10:00 Inflation: An Overview
- 10:30 Inflation: Causes and Effects
- 11:00 Inflation and Agriculture: Concerns and Impacts
- 11:30 Inflation and Labor: Concerns and Impacts
- 12:00 Inflation and the Consumer: Concerns and Impacts

Family Living Sessions

TUESDAY, NOVEMBER 14

Freer Gallery Auditorium

- 1:30 Outlook for Housing in 1979
- 2:00 Rural Housing Statistics
- 2:20 Rural Housing Programs
- 3:00 Sociological Implications of Housing
- 3:30 Small Farm Pilot Program
- 3:50 Discussion and Questions

WEDNESDAY, NOVEMBER 15

Auditorium, Freer Gallery

- 9:00 Putting Nutrition in Perspective
- 9:30 Expanded Food and Nutrition Program Update
- 10:30 Outlook for Food Programs
- 11:00 Child Feeding Programs - Extra Background
- 1:30 Factors Affecting Children's Food Behavior
- 2:00 Cost of Raising a Child
- 2:20 Children's Clothing Budgets
- 3:00 Panel Discussion
Day Care: Overview of Federal and State Standards
- 3:30 Discussion and Questions

THURSDAY, NOVEMBER 16

Room 218, USDA Administration Building

- 8:45 Outlook for Clothing
- 9:15 Textiles in Energy Conservation

For the first time, the USDA Graduate School will co-host a buffet supper on Monday evening and two luncheons designed to extend the dialogue from the regular sessions. Space is limited at these events. To avoid disappointment, please preregister using the form provided below.

PREREGISTRATION FORM

(Please use one for each registrant and type or print)

NAME _____

ORGANIZATION _____

STREET _____

CITY _____ STATE _____ ZIP _____

PHONE (including area code)

☐ Please preregister me for the buffet supper at \$8.00 per person.

☐ I would also like to attend one luncheon at \$3.00. In the event that the luncheons are oversubscribed, I recognize that the fee will be refunded. If space is available, my first preference is for the:

☐ Tuesday luncheon

☐ Wednesday luncheon

My check for \$_____ made out to Graduate School-USDA is enclosed.

Return form to: Graduate School,
Room 1410-S,
U.S. Dept. of Agriculture
Washington, D.C. 20250



Recent Publications

Below is a list of selected USDA publications, arranged by subject area, which may be of interest to you. To order reports, write directly to the issuing agency (indicated in parentheses after each report citation) at the address listed below. Be sure when ordering to list the publication number and provide your zipcode.

ESCS Reports:

The publication order form provided on the inside back cover shows the publication numbers for ESCS reports listed below. Simply circle those you would like to receive and mail to ESCS Publications, Room 0054 South Building, U.S. Department of Agriculture, Washington, D.C. 20250.

FAS Reports:

FAS Information, Room 5918 South, U.S. Department of Agriculture, Washington, D.C. 20250.

State Reports:

Publications issued by a State Crop and Livestock Reporting Service may be obtained by writing the address shown in parentheses. No copies are available from the U.S. Department of Agriculture.

NTIS Reports:

National Technical Information Services,
U.S. Department of Commerce, 5285
Port Royal Road, Springfield, Va. 22161.

OGPA Reports:

Office of Governmental and Public
Affairs, Publications, U.S. Department
of Agriculture, Washington, D.C. 20250.

New report listings, by subject matter:

Coffee

World Coffee Crop Estimate For 1978/79
Up 6 Million Bags. FCOF 3-78 (FAS).

Cotton

April Cotton Exports Continue Heavy.
FC 10-78 (FAS).

U.S. Cotton Exports Robust In May. FC
11-78 (FAS).

Marketing U.S. Cotton In Portugal. FC
12-78 (FAS).

Recent Developments In Cotton In The
USSR. FC 13-78 (FAS).

U.S. Cotton Exports Increase In June. FC
14-78 (FAS).

Balanced World Cotton Situation Fore-
seen. FC 15-78 (FAS).

Foods

Food Stamp Redemptions: Their Impact
On Food Sales By Region, Size, And
Kind Of Participating Food Stores—
Fiscal 1976. AER 410 (ESCS).

USDA Grade Standards For Food And
Farm Products. AH 533 (ESCS).

Current Economic Research On Food
Stamp Use. ESCS 37 (ESCS).

Alternative Futures For World Food In
1985. Volume 1, World GOL Model
Analytical Report. FAER 146 (ESCS).

Alternative Futures For World Food In
1985. Volume 2, World GOL Model
Supply-Distribution And Related
Tables. FAER 149 (ESCS).

Cost Components Of Farm-Retail Price
Spreads (AGERSF-37) 45 p. Accession
No. PB 281 250. Paper \$4.50, Fiche
\$3.00 (NTIS).

Comparison Of Production Costs For
Grade A And Grade B Milk. (ESCS-05)
13 p. Accession No. PB 278 977. Paper
\$4.00, Fiche \$3.00 (NTIS).

Alternative Futures for World Food In
1985, Vol. 3, World GOL Model Struc-
ture and Equations. FAER-151 (ESCS).

1978/79 Potato Plantings Moderately
Lower In Western Europe, Canada, And
Mexico. FVEG 3-78 (FAS).

Poultry Market Statistics, 1977, Annual
Summary. SB-568 (ESCS).

Poultry: Production, Disposition, And
Income, Final Estimates, 1970-75. SB
602 (ESCS).

Alternative Pricing Policies For Class 1
Milk Under Federal Marketing Orders—
Their Economic Impact. AER 401
(ESCS).

Fruits

Slump In South African Canned Decid-
uous Fruit Pack Lowers 1978 Output
In Southern Hemisphere. FCAN 3-78
(FAS).

Scandinavian Markets for Fresh and
Processed Fruits and Vegetables. FAS
M-283 (FAS).

Mexican Strawberry Production Drops
Sharply In 1977/78. FBER 1-78 (FAS).

World Fresh Citrus Fruit Production And
Trade Statistics. FCF 1-78 (FAS).

Output Of Orange And Grapefruit Down,
Tangerines And Lemons Up. FCF 2-78
(FAS).

Southern Hemisphere Citrus Production
And Exports Reach A Record High.
FCF 3-78 (FAS).

Prices And Spreads For Processed Fruits,
Vegetables, And Juices Sold In Selected
Markets, 1970/71-1975/76. Accession
No. PB 274 583. Paper \$6.50, Fiche
\$3.00 (NTIS).

Report Wrapup

USDA's Economics, Statistics, and
Cooperatives Service issues a variety of
periodic reports that report on or analyze
the economic situation of U.S. agriculture.
Periodicals 1978, a brochure just off press,
lists the titles of these ESCS reports, along
with brief descriptions of their contents,
frequency of issue, and how to be placed on
their mailing lists.

To obtain your copy of *Periodicals 1978*,
send a postcard to ESCS Publications, Room
0054 South Building, USDA, Washington,
D.C. 20250.

Grains

- Second Forecast Of 1978 USSR Grain Crop. FG 11-78 (FAS).
World Grain Situation Outlook For 1978/79. FG 12-78 (FAS).
Third Forecast Of 1978 USSR Grain Crop. FG 13-78 (FAS).

Income and Finance

- Balance Sheet of the Farming Sector 1978. AIB-416 (ESCS).
Farm Financial Conditions: Perspective and Prospects. ESCS-33 (ESCS).
An Analysis Of The UNCTAD Integrated Programme For Commodities. FAER 148 (ESCS).
Farm Income Statistics. SB-609 (ESCS).
A Simulation Of Irrigation Systems: The Effect Of Water Supply And Operating Rules On Production And Income On Irrigated Farms. TB 1431 (ESCS).
Land Application Of Wastewater: A Cost Analysis. TB 1594 (ESCS).
Federal Outlays In Fiscal 1976: A Comparison Of Metropolitan And Nonmetropolitan Areas. RDRR 1 (ESCS).
Evaluation Of Investment Opportunities: Tools For Decision-Making In Farming And Other Businesses. (AGERSF-1) 108 p. Accession No. PB 272 651. Paper \$6.50, Fiche \$3.00 (NTIS).

Solar Heat Collecting Attic House Plans Available

A leaflet describing plans for an experimental three-bedroom house with a solar heat collecting attic has been published by the U.S. Department of Agriculture (USDA).

Translucent fiberglass panels and polyester film replace conventional roofing on the house. These panels transmit solar energy into the attic where it is absorbed by a black plywood floor. The solar-heated air is then circulated to heat both the house and a 12-inch layer of crushed rock beneath the house. The rock bed will normally store a 3-day supply of heat. In other respects the house is conventional.

According to USDA scientists, the attic can collect as much as 59 percent of the solar energy available during January. Energy collection over 50 percent is considered very efficient.

Single copies of the leaflet, "Solar House", Miscellaneous Publication No. 1367, may be obtained free from the Office of Governmental and Public Affairs, U.S. Department of Agriculture, Washington, D.C. 20250.

Livestock and Meat

- Coyote Control: A Simulation Evaluation of Alternative Strategies. AER-408 (ESCS).
Alternative Retail-Beef Handling Systems. (ERS-661) 14p. Accession No. PB 280 850. Paper \$4.00, Fiche \$3.00 (NTIS).
Estimating U.S. Livestock And Poultry Manure And Nutrient Production. (ESCS-12) 150 p. Accession No. PB 279 095. Paper \$7.25, Fiche \$3.00 (NTIS).
Can Feedlot Lambs Be Fed Economically To Heavier Weights? (ESCS-15) 23 p. Accession No. PB 279 852. Paper \$4.00, Fiche \$3.00 (NTIS).
Costs of Producing Feeder Cattle in the United States, 1976, Preliminary Estimates. ESCS 25 (ESCS).
U.S. Beef Breeding Cattle Exports Down In 1977. FLM 3-78 (FAS).
Third Quarterly Outlook For World Meat Production And Trade In 1978. FLM 4-78 (FAS).
U.S. Dairy Breeding Cattle Exports Rebound To Near Record Levels. FLM 5-78 (FAS).
Exports Of U.S. Breeding Swine Dip In 1977. FLM 6-78 (FAS).
Per Capita Meat Consumption Rises In 1977. FLM 7-78 (FAS).
U.S. Customs Service Data On Meat Imports—June 1978. FLM MT 10-78 (FAS).
U.S. Customs Service Data On Meat Imports—July 1978. FLM MT 11-78 (FAS).
U.S. Exports And Imports Of Livestock And Products Up For January-June 1978. FLM MT 12-78 (FAS).
Livestock and Meat Statistics: Supplement for 1977. SB-522 (ESCS & AMS).

Oilseeds and Products

- U.S. Oilseed and Product Export Trade Earnings Reach Record \$5.9 Billion. FOP 6-78 (FAS).
U.S. Exports Of Oilseeds And Products Climb In April—Imports Fall. FOP 7-78 (FAS).
World Fishmeal, Oil Production Declines To Continue In 1978. FOP 8-78 (FAS).
First Forecast For 1978/79 Protein Meal And Fats And Oils Production. FOP 9-78 (FAS).

Sugar

- World Sugar Production Now Seen Higher For 1977/78. FS 2-78 (FAS).
USSR Sugar - Today and Tomorrow. FAS. M-284 (FAS).

Tobacco

- World Tobacco Supply And Distribution, 1959-77. FT 2-78 (FAS).
Market Prospects For Tobacco In The Soviet Union. FT 4-78 (FAS).
World Tobacco Trade Down In 1977. FT 5-78 (FAS).
World Tobacco Prices Rose In 1977. FT 6-78 (FAS).
Annual Report On Tobacco Statistics, 1977. SB-605 (ESCS).

Trade

- U.S. Foreign Agricultural Trade Statistical Report, Calendar Year 1977. (ESCS).
Adjustment In Agriculture And The Trade Act Of 1975. FAER 147 (ESCS).

World Agriculture

- Indices of Agricultural Production in Africa and the Near East, 1968-77. SB-610 (ESCS).
Indices of Agricultural and Food Production for Europe and the U.S.S.R. Average 1961-65 And Annual 1968 Through 1977. SB-608 (ESCS).
Input-Output Analysis Applied To Rural Resource Development Planning. (ESCS-14) 101 p. Accession No. PB 280 863. Paper \$6.50, Fiche \$3.00 (NTIS).
Notes On Agricultural Policy Issues: Discussions At The 1977 Meeting Of The American Agricultural Economics Association. (AGERSF-27) 27 p. Accession No. PB 280 230. Paper \$4.50, Fiche \$3.00 (NTIS).
System Theory Applications To Agricultural Modeling: A Proceedings. (ESCS-07) 75 p. Accession No. PB 278 978. Paper \$5.25, Fiche \$3.00 (NTIS).

State Reports

Alaska Agricultural Statistics 1978.

Alaska Crop and Livestock Reporting Service, P.O. Box 799, Palmer, Alaska 99645.

Indexes of Prices Received. Arizona Crop and Livestock Reporting Service, 3001 Federal Building, Phoenix, Arizona 85025.

California Fruit & Nut Statistics 1965-77 (1978). California Crop and Livestock Reporting Service, P.O. Box 1258, Sacramento, California 95806.

Production and Marketing Eggs, Chickens, and Turkeys, California-1977 (1978). California Crop and Livestock Reporting Service, P.O. Box 1258, Sacramento, California 95806.

1977 California Fruit & Nut Acreage. California Crop and Livestock Reporting Service, P.O. Box 1258, Sacramento, California 95806.

California Livestock Statistics 1977. California Crop and Livestock Reporting Service, P.O. Box 1258, Sacramento, California 95806.

Florida Agricultural Statistics Livestock Summary 1977. Florida Crop and Livestock Reporting Service, 1222 Woodward Street, Orlando, Florida 32803.

Florida Agricultural Statistics Poultry Summary 1977. Florida Crop and Livestock Reporting Service, 1222 Woodward Street, Orlando, Florida 32803.

Statistics of Hawaiian Agriculture 1977. Hawaii Agricultural Reporting Service, P.O. Box 22159, Honolulu, Hawaii 96822.

1978 Idaho Agricultural Statistics. Idaho Crop and Livestock Reporting Service, P.O. Box 1699, Boise, Idaho 83701.

Kentucky Equine Survey 1977 (1978). Kentucky Crop and Livestock Reporting Service, P.O. Box 1120, Louisville, Kentucky 40201.

Maryland Agricultural Statistics 1977. Maryland Crop Reporting Service, P.O. Box AG, College Park, Maryland 20740.

Michigan Agricultural Statistics June 1978. Michigan Crop Reporting Service, 201 Federal Building, P.O. Box 20008, Lansing, Michigan 48901.

Minnesota Agricultural Statistics 1978. Minnesota Crop and Livestock Reporting Service, 270 Metro Square Building, 7th & Robert Streets, St. Paul, Minnesota 55101.

Michigan Agricultural Statistics 1978. Michigan Crop and Livestock Reporting Service, P.O. Box 20008, Lansing, Michigan 48901.

Missouri Farm Facts 1978 (1978). Missouri Crop and Livestock Reporting Service, P.O. Box L, Columbus, Missouri 65201.

North Dakota Crop and Livestock Statistics 1977. North Dakota Crop and Livestock Reporting Service, P.O. Box 3166, Fargo, North Dakota 58102.

1977 Crop and Livestock Annual Summary. Pennsylvania Crop Reporting Service, 2301 North Cameron Street, Harrisburg, Pennsylvania 17120.

South Carolina Crop Statistics State and County Data. South Carolina Crop and Livestock Reporting Service, P.O. Box 21548, Columbia, South Carolina 29221.

1977 Texas Livestock Statistics (1978). Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

1977 Texas Cotton Statistics. Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin Texas 78767.

1977 Texas Field Crop Statistics. Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

1977 Texas Poultry Statistics (1978). Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

1977 Texas Small Grains Statistics (1978). Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

1977 Texas Vegetable Statistics (1978). Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

1977 Texas Dairy Statistics (1978). Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

Utah Agricultural Statistics 1978. Utah Crop and Livestock Reporting Service, 4432 Federal Building, Salt Lake City, Utah 84147.

USDA's Economics, Statistics, and Cooperatives Service issues a variety of periodic reports that analyze the economic situation of U.S. agriculture. These reports are free on request unless otherwise noted, and mailing lists are maintained.

If you are interested in receiving any of these reports, you may first want to write for a sample copy. If you find the report contains information you need, you can then ask to be put on the mailing list.

Address all inquiries to Publications Unit, ESCS-Information, Room 0054, South Building, U.S. Department of Agriculture, Washington, D.C. 20250.

Situation and outlook reports issued by ESCS are listed below together with brief descriptions of their contents. *Cotton and Wool, Dairy, Fats and Oils, Feed, Fruit, Livestock and Meat, Poultry and Egg, Rice, Sugar and Sweetener, Tobacco, Vegetable, and Wheat*. These commodity reports analyze supply and demand, prices, and outlook for major farm commodities. They include tables and charts presenting current data on production, market movement, stocks, consumption, prices, and foreign trade. Relevant special studies frequently are included. Individual reports generally are issued 4 to 6 times a year.

Fertilizer Situation, published at the end of each year. Examines potential fertilizer demand and estimated capacity to produce basic fertilizer materials in the year ahead, analyzes U.S. fertilizer use in the year just concluding. Reviews foreign trade in fertilizer and basic fertilizer materials and discusses economic aspects of foreign trade.

Features historical economic and fertilizer use statistics. Special reports about production, consumption, and distribution of fertilizer prepared for each issue.

Supply-Demand Estimates, a tabular series, updates USDA forecasts of the supply-demand balance for major farm commodities. Assessments by an interagency board of USDA experts are released, with a brief commentary, after 3 p.m. on the day following the issuance of major crop production grain stocks, or planting intentions reports by the Economics, Statistics, and Cooperatives Service.

Supply-demand reports present statistics, by crop, covering the balance of supply (production, stocks, imports) for the current marketing season. May indicate the supply-demand balance for one season ahead.

Statistical Indicators

Farm Income

Gross and net farm income¹

	First-half			1975	1976				1977				1978	
	1976	1977	1978	IV	I	II	III	IV	I	II	III	IV	I	II
	\$ Bil.													
Cash receipts from farm marketings .	96.1	96.6	105.6	89.9	93.3	98.9	93.2	92.6	97.6	95.7	91.3	99.6	102.2	109.0
Livestock and products	47.2	46.4	55.1	46.8	46.4	47.9	45.2	45.1	46.3	46.6	47.8	49.5	52.7	57.5
Crops	48.9	50.2	50.5	43.1	46.9	51.0	48.0	47.5	51.3	49.1	43.5	50.1	49.5	51.5
Nonmoney and other farm income ² .	9.4	10.8	13.6	9.2	9.2	9.5	9.6	10.0	10.5	11.0	11.4	15.2	13.6	13.5
Gross farm income	105.4	107.4	119.2	99.1	102.5	108.4	102.8	102.6	108.1	106.7	102.7	114.8	115.8	122.5
Farm production expenses	82.2	87.2	94.8	77.0	79.5	85.0	84.5	82.9	87.5	87.0	86.0	91.4	93.5	96.0
Net income before inventory adj. . . .	23.2	20.2	24.4	22.1	23.0	23.4	18.3	19.7	20.6	19.7	16.7	23.4	22.3	26.5
Net change in farm inventories	-2.5	-.3	-1.0	4.0	-1.5	-3.5	-1.2	-3.2	-1.0	.5	0	2.1	0	-2.0
Net income after inventory adj.														
Current prices	20.7	19.9	23.4	26.1	21.5	19.9	17.1	16.5	19.6	20.2	16.8	25.5	22.3	24.5
1967 prices ³	12.4	11.2	12.2	15.8	12.9	11.8	9.9	9.5	11.1	11.2	9.2	13.8	11.8	12.7

¹ All estimates starting with calendar Year 1975 were updated in July; quarters of 1978 are subject to revision as year progresses. Quarterly data are seasonally adjusted at annual rates. ² Includes government payments to farmers, value of farm products consumed in farm households, rental value of farm dwellings, and income from recreation, machine hire, and custom work. ³ Deflated by the consumer price index for all items, 1967=100.

Cash receipts from farming

	January-June			1977	1978					
	1976	1977	1978	July	Feb	Mar	Apr	May	June	July
	\$ Mil.									
Farm marketings and CCC loans ¹	41,864	42,096	45,934	7,012	6,857	7,322	7,110	7,750	8,338	7,342
Livestock and products	23,223	22,874	27,111	3,691	4,075	4,583	4,707	4,967	4,767	3,662
Meat animals	13,701	13,166	16,943	2,023	2,561	2,860	2,969	3,162	2,973	1,764
Dairy products	5,786	5,890	6,246	1,004	933	1,065	1,072	1,119	1,046	1,058
Poultry and eggs	3,405	3,475	3,641	617	540	618	615	632	697	791
Other	331	343	281	47	41	40	51	54	51	49
Crops	18,641	19,222	18,823	3,321	2,782	2,739	2,403	2,783	3,571	3,680
Food grains	2,922	2,428	1,902	994	265	233	176	181	633	931
Feed crops	5,765	5,126	4,794	826	781	656	502	590	899	831
Cotton (lint and seed)	914	1,019	716	35	120	173	32	44	8	37
Tobacco	356	436	332	79	46	24	14	20	0	71
Oil-bearing crops	3,203	4,339	4,658	119	728	675	582	699	712	695
Vegetables and melons	2,218	2,330	2,275	501	268	317	343	504	524	435
Fruits and tree nuts	1,414	1,584	2,135	401	288	288	312	388	548	453
Other	1,849	1,960	2,011	366	286	373	442	357	247	227
Government payments	260	477	1,190	31	219	151	298	150	64	75
Total cash receipts ²	42,124	42,573	47,124	7,043	7,076	7,473	7,408	7,900	8,402	7,417

¹ Receipts from loans represent value of loans minus value of redemptions during the month. ² Details may not add because of rounding.

Farm marketing indexes (physical volume)

	January-June			1977	1978					
	1976	1977	1978	July	Feb	Mar	Apr	May	June	July
	1967=100									
All commodities	105	106	105	112	100	98	92	97	110	105
Livestock and products	107	110	110	104	104	112	112	114	109	93
Crops	102	101	97	123	93	77	64	74	113	123

Cash receipts¹ from farm marketings, by States, January-July

	Livestock and Products		Crops ²		Total ²	
	1977	1978	1977	1978	1977	1978
	\$ Mil.					
NORTH ATLANTIC						
Maine	156.5	152.2	106.9	71.7	263.4	223.9
New Hampshire	31.8	31.4	12.8	12.0	44.6	43.5
Vermont	137.1	150.6	13.9	12.6	151.0	163.2
Massachusetts	60.0	59.5	53.8	53.3	113.9	112.8
Rhode Island	6.5	6.5	7.5	7.3	14.0	13.8
Connecticut	75.6	74.2	70.5	60.5	146.1	134.7
New York	683.9	741.8	249.0	228.1	932.9	969.9
New Jersey	58.7	57.8	130.3	143.8	188.9	201.6
Pennsylvania	748.8	813.8	328.6	318.0	1,077.4	1,131.9
NORTH CENTRAL						
Ohio	657.6	743.0	916.9	874.3	1,574.5	1,617.4
Indiana	721.4	832.2	981.2	832.0	1,702.6	1,664.1
Illinois	1,040.9	1,228.7	2,455.6	2,342.2	3,496.4	3,570.9
Michigan	470.8	521.1	485.6	522.8	956.4	1,043.9
Wisconsin	1,518.2	1,642.8	245.6	319.1	1,763.8	1,962.0
Minnesota	1,268.1	1,437.8	869.3	1,126.0	2,137.4	2,563.8
Iowa	2,435.4	2,887.6	1,715.4	1,554.9	4,150.8	4,442.5
Missouri	867.0	1,049.4	487.7	589.3	1,354.6	1,638.7
North Dakota	273.3	332.5	590.3	423.4	863.6	755.9
South Dakota	631.8	740.0	135.9	326.1	767.7	1,066.1
Nebraska	1,234.8	1,491.0	781.3	844.8	2,016.1	2,335.8
Kansas	1,348.6	1,643.9	870.5	729.0	2,219.1	2,372.9
SOUTHERN						
Delaware	103.8	117.1	30.5	26.8	134.3	143.9
Maryland	248.6	274.9	111.4	103.7	360.0	378.6
Virginia	305.2	333.2	129.7	128.5	435.0	461.7
West Virginia	54.1	53.0	17.6	26.1	71.7	79.1
North Carolina	604.6	668.2	323.6	286.9	928.2	955.1
South Carolina	156.3	179.1	204.6	216.9	360.9	396.0
Georgia	705.0	787.1	299.5	260.3	1,004.6	1,047.5
Florida	439.8	495.6	1,296.9	1,716.5	1,736.7	2,212.1
Kentucky	372.0	427.6	463.7	364.4	835.6	791.9
Tennessee	402.5	476.3	246.5	202.2	649.0	678.5
Alabama	534.1	756.8	196.3	218.1	730.4	974.8
Mississippi	443.1	497.4	235.9	304.5	679.0	802.0
Arkansas	674.6	786.3	337.6	373.7	1,012.2	1,160.0
Louisiana	235.6	276.8	222.6	222.2	458.2	499.0
Oklahoma	658.6	810.6	440.8	310.1	1,099.4	1,120.7
Texas	1,948.1	2,320.7	1,384.4	997.6	3,332.4	3,318.3
WESTERN						
Montana	136.6	161.3	237.0	466.5	373.6	627.8
Idaho	263.0	312.5	291.5	281.5	554.4	594.0
Wyoming	130.8	161.2	23.3	21.3	154.1	182.5
Colorado	794.6	943.6	238.7	214.6	1,033.3	1,158.1
New Mexico	216.2	255.7	89.8	79.0	306.0	334.7
Arizona	322.0	391.8	340.5	302.3	662.5	694.0
Utah	143.4	161.6	46.3	35.3	189.7	196.9
Nevada	43.6	52.5	27.8	21.6	71.5	74.1
Washington	291.9	329.7	588.6	594.5	880.5	924.2
Oregon	200.2	230.1	283.3	280.0	483.5	510.1
California	1,670.2	1,827.7	2,772.3	2,512.6	4,442.5	4,340.4
Alaska	2.6	2.5	2.4	2.4	5.0	4.9
Hawaii	37.5	36.9	150.9	153.7	188.4	190.6
UNITED STATES						
Grand Total	26,565.2	30,765.7	22,542.4	22,115.0	49,107.6	52,880.7

¹ Estimates as of the first of current month. ² Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

Farm Production¹

Items	1971	1972	1973	1974	1975	1976	1977	1978 ²
1967=100								
Farm output	110	110	112	106	114	117	121	121
All livestock products ³	106	107	105	106	107	105	106	108
Meat animals	109	109	108	110	102	105	105	107
Dairy products	101	102	98	98	98	103	105	104
Poultry and eggs	106	109	106	106	103	110	112	118
All crops ⁴	112	113	119	110	121	121	129	128
Feed grains	116	112	115	93	114	120	124	129
Hay and forage	105	104	109	104	108	102	108	113
Food grains	107	102	114	120	142	141	131	124
Sugar crops	116	127	112	104	130	128	117	118
Cotton	145	187	175	158	112	142	195	150
Tobacco	86	88	88	101	110	108	98	102
Oil crops	121	131	155	127	153	132	171	175
Cropland used for crops	100	98	103	106	108	109	111	108
Crop Production per acre	112	115	116	104	112	111	116	119

¹ For historical data and explanation of indexes, see *Changes in Farm Production and Efficiency*, Statistical Bulletin 581. ² Preliminary indexes for 1978 based on September 1978 *Crop Production* and other releases of the Crop Reporting Board, ESCS. ³ Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output. ⁴ Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross livestock production to compute farm output.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	January-June			1977	1978					
	1976	1977	1978	Aug	Mar	Apr	May	June	July	Aug p
	1967=100									
Prices Received										
All farm products	188	188	203	174	200	208	215	217	215	209
All crops	196	205	202	172	198	208	212	216	212	201
Food grains	224	164	188	147	186	195	193	191	190	188
Feed grains and hay	221	204	189	149	187	194	202	197	186	175
Feed grains	219	196	186	140	183	191	198	194	184	172
Cotton	246	290	230	271	228	230	239	244	251	249
Tobacco	158	173	183	177	181	183	183	183	186	194
Oil-bearing crops	180	282	222	201	221	230	239	237	228	224
Fruit	126	135	210	168	203	194	222	257	258	239
Fresh market ¹	123	126	217	176	210	200	233	274	277	255
Commercial vegetables	159	189	204	150	188	246	213	208	188	162
Fresh market	171	218	235	160	209	296	247	251	220	178
Potatoes ²	232	194	202	215	186	189	209	256	334	256
Livestock and products	183	173	205	177	204	209	217	219	217	217
Meat animals	181	166	213	172	209	218	233	236	228	228
Dairy products	190	188	201	192	203	201	199	199	201	206
Poultry and eggs	177	178	180	171	182	187	181	182	197	185
Prices Paid										
Commodities and services, interest, taxes, and wage rates	191	202	215	201	214	216	219	220	220	220
Production items	192	201	212	198	211	214	217	218	218	217
Feed	186	201	184	170	183	187	188	188	184	179
Feeder livestock	162	156	204	162	202	213	229	223	227	227
Interest payable per acre on farm real estate debt	287	331	384	331	384	384	384	384	384	384
Taxes on farm real estate	178	195	210	195	210	210	210	210	210	210
Wage rates (seasonally adjusted)	211	226	245	231	244	246	246	246	243	243
Production items, interest, taxes, and wage rates	198	209	222	207	221	224	227	228	227	227
Prices received (1910-14=100)	471	469	508	436	501	521	538	543	537	523
Prices paid, etc. (Parity Index) (1910-14=100)	647	686	730	685	727	735	744	747	748	749
Parity ratio ³	73	68	70	64	69	71	72	73	72	70

¹ Fresh market for noncitrus and fresh market and processing for citrus. ² Includes sweet potatoes and dry edible beans. ³ Ratio of index of prices received to index of prices paid, interest, taxes and wage rates. p Preliminary.

Prices received by farmers, U.S. average

	January-June			1977	1978					
	1976	1977	1978p	Aug	Mar	Apr	May	June	July	Aug p
Crops										
All wheat (\$/bu.)	3.52	2.32	2.71	2.13	2.67	2.82	2.82	2.82	2.80	2.79
Rice, rough (\$/cwt.)	7.12	6.99	10.43	8.02	10.70	10.80	10.10	9.58	9.49	9.05
Corn (\$/bu.)	2.54	2.28	2.16	1.63	2.15	2.24	2.29	2.28	2.16	1.99
Sorghum (\$/cwt.)	4.14	3.40	3.48	2.63	3.37	3.62	3.87	3.64	3.50	3.38
All hay, baled (\$/ton)	56.48	63.35	51.93	52.50	51.40	51.40	55.30	51.20	49.20	49.00
Soybeans (\$/bu.)	4.83	8.02	6.24	5.48	6.20	6.49	6.77	6.69	6.39	6.21
Cotton, Upland (cts./lb.)	55.5	65.4	51.6	58.3	51.3	51.7	53.7	54.8	56.5	56.0
Potatoes (\$/cwt.)	3.91	4.83	3.68	4.01	3.24	3.39	3.97	5.10	7.41	5.44
Dry edible beans (\$/cwt.)	17.60	15.90	20.78	16.20	21.40	20.60	19.10	19.20	17.60	17.10
Apples for fresh use (cts./lb.)	8.6	12.5	17.0	12.7	14.8	15.2	20.1	25.5	22.8	15.0
Pears for fresh use (\$/ton)	209	121	¹ 347	116	274	404	659	—	—	324
Oranges, all uses (\$/box) ²	1.73	1.76	4.24	2.92	4.49	4.04	4.35	4.68	4.70	5.03
Grapefruit, all uses (\$/box) ²	1.34	1.27	1.32	2.12	1.25	1.28	1.15	1.62	3.25	2.90
Livestock										
Beef cattle (\$/cwt.)	35.30	34.10	45.00	34.50	43.80	47.30	50.30	51.30	49.80	48.80
Calves (\$/cwt.)	35.70	36.40	50.80	37.10	49.10	52.90	58.30	59.00	59.90	61.70
Hogs (\$/cwt.)	47.50	38.90	46.50	42.80	46.80	44.80	47.80	47.70	45.20	47.50
Lambs (\$/cwt.)	51.90	50.60	64.20	49.10	67.70	64.20	67.20	62.80	58.70	58.90
All milk, sold to plants (\$/cwt.)	9.47	9.57	10.12	9.66	10.20	10.10	10.00	10.00	10.10	10.40
Milk, manuf. grade (\$/cwt.)	8.51	8.53	9.22	8.64	9.23	9.28	9.27	9.23	9.26	9.55
Broilers (cts./lb.)	24.4	23.9	26.2	24.1	24.8	28.1	27.2	30.2	32.8	26.7
Eggs (cts./doz.) ³	55.6	57.1	50.8	51.6	55.4	52.2	49.3	43.6	48.3	52.0
Turkeys (cts./lb.)	32.2	33.2	38.5	33.8	37.8	37.9	39.6	40.8	41.8	42.9
Wool (cts./lb.) ⁴	61.0	72.6	74.8	70.4	72.1	73.7	78.6	79.1	78.6	75.3

¹ Five month average. ² Equivalent on-tree returns. ³ Average of all eggs sold by farmers, including hatching eggs and eggs sold at retail. ⁴ Average local market price, excluding incentive payments. p Preliminary.

Producer and Retail Prices

Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)*

	1977	1978								
	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Consumer price index, all items	186.1	187.2	188.4	189.8	191.5	193.3	195.3	196.7	197.8	
Consumer price index, less food	183.1	183.8	184.7	185.9	187.4	189.0	190.6	192.0	193.3	
All food	196.3	199.2	202.0	204.2	207.5	210.3	213.8	215.0	215.4	
Food away from home	206.2	208.2	210.5	212.3	214.0	215.8	217.8	219.9	221.7	
Food at home	193.7	197.0	200.1	202.5	206.5	209.7	213.9	214.7	214.5	
Meats ¹	178.3	183.1	188.7	193.6	200.8	206.2	216.5	214.5	213.2	
Beef and veal	168.0	171.1	177.0	182.0	191.9	201.0	216.0	213.0	211.6	
Pork	191.7	199.6	205.2	208.4	211.5	211.3	215.8	214.4	212.4	
Poultry	153.6	157.5	161.5	163.9	169.3	171.0	178.4	185.2	179.1	
Fish	262.6	266.3	266.5	267.4	271.6	272.8	273.5	275.6	277.2	
Eggs	148.6	156.1	159.1	160.7	155.3	147.4	137.0	146.5	164.1	
Dairy products ²	176.9	177.7	178.8	179.3	181.6	183.5	184.8	185.3	186.1	
Fats and oils ³	196.1	198.1	198.9	200.4	204.5	207.9	210.9	213.5	214.5	
Fruits and vegetables	192.5	197.2	200.9	203.8	210.9	219.3	223.5	225.6	221.4	
Fresh	188.0	195.0	200.3	204.6	217.3	233.3	240.1	242.5	233.8	
Processed	199.2	201.5	203.3	204.6	206.7	205.9	207.0	208.8	209.7	
Cereals and bakery products	189.0	191.3	193.1	194.4	195.2	197.5	199.6	201.3	203.1	
Sugar and sweets	239.7	244.9	248.1	251.7	254.9	256.4	259.0	260.4	262.0	
Beverages, nonalcoholic	334.3	337.1	339.5	341.7	342.9	341.6	341.6	341.6	340.7	
Apparel commodities less footwear	154.5	151.1	149.2	151.4	153.5	154.8	154.7	152.5	154.1	
Footwear	159.6	158.8	159.3	160.7	161.7	163.4	163.8	162.1	163.5	
Tobacco products	173.0	173.3	173.6	173.6	173.9	174.0	174.9	179.9	180.6	
Beverages, alcoholic	153.2	154.2	155.4	156.5	157.9	159.2	159.5	160.1	161.0	

¹ Beef, veal, lamb, pork, and Processed meat. ² Includes butter. ³ Excludes butter.

*Revised indexes; not directly comparable with CPI previously published in AO.

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
	1967=100									
Finished goods ¹	163.4	170.3	180.6	181.3	189.0	191.5	193.0	194.4	196.9	195.3
Consumer foods	181.0	180.2	189.1	189.9	200.1	204.5	206.9	209.4	210.7	205.8
Fruits and vegetables ²	183.7	178.4	192.2	176.4	201.6	227.3	220.3	230.2	252.3	215.2
Eggs	159.8	179.1	162.0	162.0	167.4	152.3	141.2	127.5	150.2	158.1
Bakery products	178.6	180.0	186.2	186.1	194.4	195.2	197.5	198.9	202.6	203.3
Meats	188.7	173.6	170.7	172.8	197.6	205.3	216.0	220.4	213.2	206.9
Beef and veal	176.3	156.0	157.5	158.9	188.6	204.9	216.3	221.6	213.2	196.8
Pork	214.7	201.4	190.1	193.5	206.2	202.7	214.6	219.6	213.1	219.3
Poultry	184.1	166.2	173.3	174.2	184.4	189.6	189.2	210.7	231.5	199.2
Fish	218.7	272.4	294.3	281.8	291.4	296.0	297.1	295.1	313.4	316.6
Dairy products	155.8	168.5	173.4	175.3	180.3	184.5	184.5	185.4	186.1	190.8
Processed fruits and vegetables	169.8	170.2	187.3	190.4	195.6	196.4	197.3	198.7	200.3	203.3
Refined sugar ³	n.a.	n.a.	n.a.	n.a.	108.6	104.0	107.6	107.3	106.7	106.8
Vegetable oil and products	211.5	174.2	198.6	199.9	206.6	216.8	219.8	217.9	217.6	208.6
Consumer finished goods less foods	153.1	161.8	172.1	173.0	178.2	180.5	181.6	182.6	184.6	185.3
Beverages, alcoholic	134.7	138.1	139.7	139.7	146.3	145.3	146.2	146.7	147.0	148.7
Beverages, nonalcoholic	186.1	187.2	198.1	201.4	207.3	209.2	211.0	211.7	211.7	211.7
Apparel	133.4	139.9	147.3	147.8	160.0	150.3	150.8	151.7	152.8	153.3
Footwear	147.8	158.9	168.9	169.9	176.2	180.5	181.4	181.6	182.2	184.5
Tobacco products	149.6	163.0	179.8	175.8	190.9	191.4	191.4	195.1	205.1	205.1
Intermediate materials ⁴	180.0	189.3	201.7	203.4	210.7	212.5	213.7	214.8	215.8	217.2
Materials for food manufacturing	209.4	180.6	181.7	179.6	195.7	201.8	203.9	204.1	204.0	203.3
Flour	163.4	147.8	118.9	111.6	130.6	147.4	142.3	140.6	143.0	143.7
Refined sugar ³	n.a.	n.a.	n.a.	n.a.	106.0	108.6	108.3	107.8	105.8	109.4
Crude vegetable oils	208.1	162.5	197.5	180.7	223.9	219.5	232.1	219.7	225.1	222.2
Crude materials ⁴	196.9	205.1	214.4	207.7	231.2	239.0	241.1	245.3	245.4	240.2
Foodstuffs and feedstuffs	191.8	190.1	190.9	181.3	207.5	216.3	219.1	223.7	222.0	213.2
Fruits and vegetables ²	183.7	178.4	192.2	176.4	201.6	227.3	220.3	230.2	252.3	215.2
Grains	223.9	205.9	165.0	140.5	178.9	198.7	189.2	188.1	183.8	178.9
Livestock	187.8	173.3	173.0	175.2	208.3	218.1	230.3	236.2	226.8	218.6
Poultry, live	189.8	166.9	175.4	176.1	187.9	196.0	194.5	221.6	246.5	204.8
Fibers, plant and animal	153.1	223.9	202.3	180.3	186.9	181.0	191.8	192.9	189.9	197.5
Milk	180.2	201.2	202.8	205.0	219.7	212.1	212.1	212.1	216.3	220.5
Oilseeds	198.5	204.4	236.8	202.2	224.0	232.6	234.4	229.6	232.2	223.9
Coffee, green	177.8	305.5	505.1	404.5	386.2	372.1	378.1	390.1	370.4	334.4
Tobacco, leaf	n.a.	164.2	176.1	176.6	181.9	n.a.	n.a.	183.9	186.2	194.9
Sugar, raw cane	316.2	185.5	149.5	157.7	182.1	192.9	187.1	189.8	182.7	194.7
All commodities	174.9	183.0	194.2	194.6	203.7	206.4	207.9	209.4	210.6	210.4
Industrial commodities	171.5	182.4	195.1	196.9	204.1	206.0	207.3	208.5	209.9	211.2
All foods ⁵	186.0	178.9	186.8	187.2	199.2	204.5	206.6	208.9	210.7	206.1
Farm products and processed foods and feeds	184.2	183.1	188.8	184.3	200.3	205.5	207.7	210.4	210.5	205.3
Farm products	186.7	191.0	192.5	181.8	205.3	213.6	215.7	219.5	219.9	210.3
Processed foods and feeds	182.6	178.0	186.1	184.9	196.8	200.2	202.5	204.6	204.5	201.8
Cereal and bakery products	178.0	172.1	173.4	172.1	185.7	188.6	188.2	189.0	191.9	191.7
Sugar and confectionery	254.3	190.9	177.4	178.8	192.9	196.9	197.1	198.0	196.5	201.0
Beverages	162.4	173.5	200.9	205.5	200.0	200.1	199.5	200.0	198.8	197.2
Wholesale spot prices, 9 foodstuffs	227.3	201.6	208.2	198.0	236.0	239.5	243.7	240.8	234.9	241.4

¹ Commodities ready for sale to ultimate consumer. ² Fresh and dried. ³ Consumer size packages, Dec. 1977=100. ⁴ Commodities requiring further processing to become finished goods. ⁵ For use in food manufacturing. ⁶ Products entering market for first time which have not been manufactured at that point. ⁷ Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables. n.a.=not available.

Farm-Retail Price Spreads

Farm-retail price spreads

	Annual			1977p	1978p					
	1975	1976	1977p	Aug	Mar	Apr	May	June	July	Aug
Market basket¹:										
Retail cost (1967=100)	173.6	175.4	179.2	180.8	190.7	194.9	198.7	203.6	204.5	204.3
Farm value (1967=100)	187.7	177.8	178.1	180.4	196.3	206.0	211.6	215.8	216.2	209.8
Farm-retail spread (1967=100)	165.1	174.0	180.0	181.0	187.4	188.2	190.9	196.2	197.4	200.9
Farm value/retail cost (%)	40.8	38.3	37.5	37.7	38.8	39.9	40.2	40.0	39.9	38.8
Meat products:										
Retail cost (1967=100)	178.3	178.5	174.3	177.4	193.6	200.8	206.2	216.5	214.5	213.2
Farm value (1967=100)	188.3	170.1	169.8	174.5	198.0	203.6	221.8	222.1	216.3	212.9
Farm-retail spread (1967=100)	165.2	189.5	180.0	181.1	187.9	197.1	186.0	208.2	212.2	213.6
Farm value/retail cost (%)	59.6	53.8	55.0	55.6	57.7	57.3	60.7	57.9	56.9	56.4
Dairy products:										
Retail cost (1967=100)	154.0	168.5	173.3	174.0	179.3	181.6	183.5	184.8	185.3	186.1
Farm value (1967=100)	163.6	185.9	187.2	190.7	195.5	201.0	197.8	200.5	201.8	204.5
Farm-retail spread (1967=100)	145.6	153.3	161.3	159.4	165.2	164.7	171.0	171.2	170.9	170.1
Farm value/retail cost (%)	49.4	51.4	50.3	51.0	50.8	51.5	50.2	50.5	50.7	51.2
Poultry:										
Retail cost (1967=100)	163.3	157.0	158.1	162.6	163.9	169.3	171.0	178.4	185.2	179.1
Farm value (1967=100)	194.6	174.4	178.5	185.8	183.9	212.0	190.2	223.7	253.0	211.4
Farm-retail spread (1967=100)	132.9	140.2	138.4	130.4	144.6	128.0	152.4	134.5	119.6	147.9
Farm value/retail cost (%)	58.6	54.6	55.5	56.2	55.2	61.6	54.7	61.7	67.2	58.0
Eggs:										
Retail cost (1967=100)	154.7	174.9	169.1	167.9	160.7	155.3	147.4	137.0	146.5	164.1
Farm value (1967=100)	174.9	201.9	187.5	185.9	182.9	175.5	151.4	136.3	161.3	194.7
Farm-retail spread (1967=100)	130.1	135.8	142.5	141.7	128.5	126.1	141.6	138.0	119.9	161.3
Farm value/retail cost (%)	66.0	68.2	65.5	65.5	67.3	66.8	60.7	58.8	65.1	70.1
Cereal and bakery products:										
Retail cost (1967=100)	183.7	180.8	183.7	180.9	194.4	195.2	197.5	199.6	201.3	203.1
Farm value (1967=100)	200.2	162.3	138.2	134.2	160.3	173.3	171.1	165.4	166.2	162.6
Farm-retail spread (1967=100)	180.3	184.6	193.2	190.5	201.5	199.7	203.0	206.7	208.6	211.5
Farm value/retail cost (%)	18.7	15.4	12.9	12.7	14.1	15.2	14.8	14.2	14.2	13.7
Fresh fruits:										
Retail cost (1967=100)	160.6	161.3	187.9	209.3	203.2	209.8	227.9	248.6	254.8	268.4
Farm value (1967=100)	158.0	146.7	177.2	194.7	212.6	202.4	235.1	284.3	271.3	245.6
Farm-retail spread (1967=100)	161.9	167.8	192.7	215.9	199.0	213.1	224.7	232.6	247.4	278.6
Farm value/retail cost (%)	30.5	28.2	29.2	28.8	32.4	29.9	32.0	35.4	33.0	28.4
Fresh vegetables:										
Retail cost (1967=100)	169.1	179.1	200.6	193.1	208.5	227.0	243.5	244.2	243.5	216.1
Farm value (1967=100)	183.6	184.4	205.4	178.2	185.5	268.9	257.8	285.9	293.5	213.3
Farm-retail spread (1967=100)	162.3	176.5	198.3	200.2	219.3	207.3	236.8	224.6	220.0	217.4
Farm value/retail cost (%)	34.7	32.9	32.8	29.5	28.4	37.9	33.8	37.4	38.5	31.6
Processed fruits and vegetables:										
Retail cost (1967=100)	179.6	181.7	190.2	190.8	204.6	205.7	205.9	207.0	208.8	209.7
Farm value (1967=100)	211.2	202.8	188.5	188.2	214.2	216.8	215.3	218.0	215.6	214.5
Farm-retail spread (1967=100)	172.7	177.1	190.6	191.4	202.5	203.2	203.8	204.6	207.3	208.6
Farm value/retail cost (%)	21.3	20.2	18.0	17.9	19.0	219.1	19.0	19.1	18.7	18.5
Fats and oils:										
Retail cost (1967=100)	206.8	176.7	192.0	201.8	200.4	204.5	207.9	210.9	213.5	214.5
Farm value (1967=100)	253.8	206.4	249.2	243.2	248.2	267.9	284.5	259.5	264.3	267.2
Farm-retail spread (1967=100)	188.7	165.2	169.9	185.9	182.0	180.1	178.4	188.4	194.0	194.2
Farm value/retail cost (%)	34.1	32.5	36.1	33.5	34.4	36.4	38.0	35.5	34.4	34.6

¹ Market basket statistics have been revised to adopt weight structure of the new Consumer Price Index for all urban consumers (CPI-U). Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Farm-retail price spreads

	January-June			1977	1978p					
	1976	1977	1978p	Aug	Mar	Apr	May	June	July	Aug
Beef, Choice:¹										
Retail price ² (cts./lb.)	151.0	145.5	174.2	149.4	167.0	176.0	185.9	195.2	191.6	189.3
Net carcass value ³ (cts.)	94.2	90.9	116.7	93.1	111.4	121.0	131.5	128.3	125.3	118.5
Net farm value ⁴ (cts.)	86.5	83.4	108.7	84.5	105.0	114.0	124.9	119.9	116.8	109.5
Farm-retail spread (cts.)	64.5	62.1	65.5	64.9	62.0	62.0	61.0	75.3	74.8	79.8
Carcass-retail spread ⁵ (cts.)	56.8	54.6	57.5	58.3	55.6	55.0	54.4	66.9	66.3	70.8
Farm-carcass spread ⁶ (cts.)	7.7	7.5	8.0	8.6	6.4	7.0	6.6	8.4	8.5	9.0
Farm value/retail price (%)	57	57	62	57	63	65	67	61	61	58
Pork:¹										
Retail price ² (cts./lb.)	139.7	121.1	139.7	130.2	139.2	141.6	141.4	144.2	144.2	144.4
Wholesale value ³ (cts.)	112.5	95.8	105.2	101.3	105.8	104.6	106.9	105.4	104.7	107.5
Net farm value ⁴ (cts.)	78.7	63.3	75.3	70.6	74.8	72.7	77.7	76.1	73.9	76.8
Farm-retail spread (cts.)	61.0	57.8	64.4	59.6	64.4	68.9	63.7	68.1	70.3	67.6
Wholesale retail spread ⁵ (cts.)	27.2	25.3	34.5	28.9	33.4	37.0	34.5	38.8	39.5	36.9
Farm-carcass spread ⁶ (cts.)	33.8	32.5	29.9	30.7	31.0	31.9	29.2	29.3	30.8	30.7
Farm value/retail price (%)	56	52	54	54	54	51	55	53	51	53

¹ Revised series, for historical data and methodology, see August 1978 issue of *Livestock and Meat Situation*, LMS-222. ² Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from USDA's meat price survey. ³ Value of carcass quantity equivalent to 1 lb. of retail cuts—beef adjusted for value of fat and bone byproducts. ⁴ Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. ⁵ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. ⁶ Represents charges made for livestock marketing, processing, and transportation to city where consumed. p Preliminary.

Transportation Data

Rail rates, grain and fruit and vegetable shipments

	January-June			1977	1978					
	1976	1977	1978	Aug	Mar	Apr	May	June	July	Aug
Rail freight rate index¹										
All products (1969=100)	183.9	198.2	208.1	198.4	207.7	207.8	207.9	208.2	215.2	215.7
Farm products (1969=100)	179.9	190.2	200.4	190.6	200.1	200.1	200.1	200.8	206.7	207.3
Food products (1969=100)	182.3	194.4	204.6	194.6	204.6	204.6	205.2	205.6	212.9	212.9
Rail carloadings of grain (thou. cars) ²	24.6	22.9	24.3	23.8	23.7	23.8	25.4	29.7	28.6	29.2
Barge shipments of grain (mil. bu.) ³	31.0	27.1	28.9	34.8	24.2	34.2	34.4	35.7	31.1	38.0
Fresh fruit and vegetable shipments										
Rail (thou. carlots) ^{3, 4}	3.8	2.4	\$1,074	\$1,195	\$1,184	\$1,023	\$1,110	\$1,332	\$1,007	\$586
Truck (thou. carlots) ^{3, 4}	17.0	15.0	\$7,067	\$5,918	\$8,238	\$6,464	\$7,853	\$8,401	\$7,308	\$5,709

¹ Department of Labor, Bureau of Labor Statistics. ² Weekly average; from Association of American Railroads. ³ Weekly average; from Agricultural Marketing Service, USDA. ⁴ Preliminary data for 1977 and 1978. ⁵ Shipments reported in 1000 hundredweight. Typical truck loads are about 40,000 pounds and average railcar/loads in 1975 were about 60,000 pounds.

Livestock and Products

Livestock and products output and prices

	1976	1977					1978				
	Annual	I	II	III	IV	Annual	I	II	III ¹	IV ¹	Annual ¹
Beef (mil. lb.)	25,667	6,287	6,158	6,321	6,220	24,986	6,104	5,936	6,000	5,900	23,940
Change (pct.) ²	+8	-3	0	-4	-3	-3	-3	-4	-5	-5	-4
Pork (mil. lb.)	12,488	3,294	3,184	3,073	3,500	13,051	3,242	3,264	3,200	3,500	13,206
Change (pct.) ²	+8	+11	+12	+2	-5	+5	-2	+3	+4	0	+1
Veal (mil. lb.)	813	201	187	205	201	794	178	149	140	145	612
Change (pct.) ²	-2	-2	+5	0	-10	-2	-11	-20	-32	-28	-23
Lamb and mutton (mil. lb.)	361	90	86	84	81	341	75	76	75	75	301
Change (pct.) ²	-10	-5	+5	-9	-12	-6	-17	-12	-11	-7	-12
Red meats (mil. lb.)	39,329	9,872	9,615	9,683	10,002	39,172	9,599	9,425	9,415	9,620	38,059
Change (pct.) ²	+8	+1	+4	-2	-4	0	-3	-2	-3	-4	-3
Broilers (mil. lb.)	8,988	2,156	2,399	2,424	2,248	9,227	2,327	2,547	2,645	2,475	9,994
Change (pct.) ²	+13	+2	+4	+2	+3	+3	+8	+6	+9	+10	+8
Turkeys (mil. lb.)	1,950	210	365	672	645	1,892	228	400	685	670	1,983
Change (pct.) ²	+14	+1	-1	-5	-3	-3	+9	+10	+2	+4	+5
Total meats (mil. lb.)	50,267	12,238	12,379	12,779	12,895	50,291	12,154	12,372	12,745	12,765	50,036
Change (pct.) ²	+9	+1	+4	-2	-3	0	-1	0	0	-1	0
Eggs (mil. doz.)	5,377	1,324	1,335	1,330	1,414	5,403	1,373	1,380	1,360	1,410	5,523
Change (pct.) ²	0	-1	0	0	+5	0	+4	+3	+2	0	+2
Milk (bil. lb.)	120.3	29.8	33.1	30.9	29.0	³ 123.0	29.9	32.8	30.5	28.7	121.9
Change (pct.) ²	+4	+2	+2	+3	+2	+2	0	-1	-1	-1	-1
Total livestock and products (1974=100)	105.5	103.1	107.5	107.5	106.5	106.2	103.0	107.2	106.2	105.2	105.4
Change (pct.) ²	+6.6	+1.1	+2.8	6	-7	+7	-1	-3	-1.2	-1.2	-8
Prices											
Choice steers, Omaha (\$ per cwt.)	39.11	37.88	40.77	40.47	42.42	40.38	45.77	55.06	53-55	52-54	—
Barrows and gilts, 7-markets (\$ per cwt.)	43.11	39.08	40.87	43.85	41.38	41.07	47.44	47.84	47-49	47-49	—
Broilers, 9-city wholesale (cts. per lb.) ⁴	40.2	40.9	42.3	42.4	37.6	40.8	41.8	47.6	46-48	42-44	—
Turkeys, N.Y., wholesale (cts. per lb.) ⁵	48.8	50.2	51.5	53.1	61.3	54.0	60.2	61.4	67-69	68-70	—
Eggs, cartoned, Grade A large, N.Y. (cts. per doz.)	70.3	74.9	57.8	61.5	58.9	63.3	62.0	53.5	62-64	65-67	—
Milk, all at farm, (\$ per cwt.)	9.66	9.54	9.40	9.71	10.17	9.71	10.20	10.03	10.45-10.55	11.20-11.50	10.45-10.60
Livestock prices received by farmers (1967=100)	177	172	174	178	177	175	195	215	220	219	212

¹ Forecast. ² Change from year-earlier. ³ Does not add due to rounding of quarterly data. ⁴ Weighted average. ⁵ 8-16 pound young hens.

Dairy:

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
Milk production:										
Total milk (mil. lb.)	115,334	120,269	122,957	10,397	10,528	10,686	11,219	10,928	10,598	10,259
Milk per cow (lb.)	10,350	10,879	11,194	947	967	982	1,032	1,007	977	945
Number of milk cows (thou.)	11,143	11,055	10,984	10,976	10,883	10,883	10,866	10,854	10,851	10,855
Milk prices, Minnesota-Wisconsin,										
3.5% fat (\$/cwt.) ¹	7.62	8.48	8.58	8.64	9.09	9.24	9.25	9.26	9.33	9.68
Price of 16% dairy ration (\$/ton)	134	141	140	132	135	137	136	140	139	136
Milk-feed price ratio (lb.) ²	1.40	1.53	1.57	1.65	1.68	1.62	1.60	1.59	1.64	1.74
Stocks, beginning										
Total milk equiv. (mil. lb.) ³	5,886	3,844	5,708	10,401	8,897	9,171	9,562	10,201	11,004	11,752
Commercial (mil. lb.)	5,576	3,719	5,299	6,992	5,148	4,838	5,144	5,448	5,624	5,709
Government (mil. lb.)	310	124	410	3,409	3,749	4,332	4,418	4,753	5,381	6,043
Imports, total milk equiv. (mil. lb.) ³	1,669	1,943	1,968	137	152	127	127	134	141	—
USDA net removals:										
Total milk equiv. (mil. lb.) ³	2,036	1,236	6,092	521.0	42.7	509.1	776.6	561.8	138.4	⁴ -85.9
Butter:										
Production (mil. lb.)	983.8	978.6	1,085.6	77.8	97.7	98.5	96.7	84.7	73.7	—
Stocks, beginning (mil. lb.)	49.2	10.9	47.1	208.6	215.9	235.6	245.6	264.6	280.9	312.7
Wholesale price, Grade A Chicago (cts./lb.)	79.4	92.0	98.4	100.7	101.2	105.2	106.7	106.7	107.9	116.7
USDA net removals (mil. lb.)	63.4	39.4	222.4	13.5	2.1	24.4	34.6	20.6	(⁵)	⁶ -6.0
Commercial disappearance (mil. lb.)	951.0	919.0	859.2	72.6	107.8	70.6	58.8	76.2	72.0	—
American cheese:										
Production (mil. lb.)	1,654.6	2,048.8	2,042.4	164.9	182.9	190.8	208.2	209.3	183.4	—
Stocks, beginning (mil. lb.)	420.9	307.8	411.4	529.5	389.5	374.9	389.8	407.8	444.9	450.6
Wholesale price, Wisconsin assembly pt. (cts./lb.)	86.6	96.3	96.8	97.1	101.4	102.6	102.6	102.6	102.9	109.1
USDA net removals (mil. lb.)	68.2	38.0	148.3	24.0	4	1.8	6.0	13.6	13.6	3.5
Commercial disappearance (mil. lb.)	1,717.1	1,920.9	1,958.1	151.0	190.7	170.0	186.8	163.5	168.5	—
Other cheese:										
Production (mil. lb.)	1,156.8	1,274.1	1,315.5	110.7	128.9	115.4	120.5	123.6	113.6	—
Stocks, beginning (mil. lb.)	73.1	60.8	67.1	74.0	64.5	65.7	68.4	70.2	76.9	76.2
Commercial disappearance (mil. lb.)	1,331.9	1,458.0	1,512.3	127.8	144.2	125.7	130.9	129.3	130.6	—
Nonfat dry milk:										
Production (mil. lb.)	1,001.5	926.2	1,106.0	106.0	84.4	96.4	103.0	113.5	98.2	—
Stocks, beginning (mil. lb.)	293.2	468.9	485.4	613.2	681.4	662.1	686.5	687.7	701.6	713.6
Wholesale price, avg. manf. (cts./lb.)	63.3	63.4	66.5	68.1	68.0	70.5	71.1	71.0	71.3	—
USDA net removals (mil. lb.)	394.4	157.1	464.3	62.7	12.1	27.6	51.5	54.0	46.3	18.8
Commercial disappearance (mil. lb.)	697.0	719.2	681.6	56.4	77.7	39.5	43.9	51.8	52.0	—
Frozen dessert production (mil. gal.) ⁴	1,183.9	1,154.0	1,147.4	121.3	98.6	95.2	108.2	126.0	119.4	—

¹ Manufacturing grade milk. ² Pounds of ration equal in value to 1 lb. of milk. ³ Milk equivalent, fat-solids basis. ⁴ Ice cream, ice milk, and sherbet. ⁵ Less than 50,000 pounds. ⁶ Domestic sales exceeded purchases.

Poultry and eggs:

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
Eggs										
Farm production (mil.)	64,586	64,517	64,837	5,354	5,662	5,509	5,669	5,383	5,446	5,477
Average number of layers on farms (mil.)	278	274	275	271	278	276	275	272	270	272
Rate of lay (eggs per layer)	233	235	236	19.8	20.4	19.9	20.6	19.8	20.1	20.1
Cartoned price, New York, grade A										
large (cts./doz.) ¹	63.9	70.3	63.3	61.4	64.0	57.6	52.9	49.8	62.8	62.6
Price of laying feed (\$/ton)	147	151	152	143	149	154	155	157	155	150
Egg-feed price ratio (lb.) ²	7.2	7.3	7.3	7.2	7.4	6.8	6.4	5.6	6.2	6.9
Stocks, beginning of period:										
Shell (thou. cases)	36	22	28	39	41	37	36	30	30	29
Frozen (mil. lb.)	54.2	36.3	26.1	35.1	25.7	22.9	23.2	22.5	26.6	28.0
Replacement chicks hatched (mil.)	454	492	502	37.8	47.0	51.4	53.6	45.5	36.1	38.6
Broilers										
Federally inspected slaughter, certified (mil. lb.)	7,966	8,987	9,227	870.4	830.0	769.1	902.6	874.9	801.7	—
Wholesale price, 9-city, (cts./lb.)	45.1	40.2	40.8	42.0	42.2	46.1	46.1	50.7	50.8	44.1
Price of broiler grower feed (\$/ton)	163	168	171	164	167	169	171	174	170	169
Broiler-feed price ratio (lb.) ²	3.2	2.8	2.7	2.9	3.0	3.3	3.2	3.5	3.9	3.2
Stocks, beginning of period (mil. lb.)	37.2	22.3	32.9	30.3	21.8	21.7	22.6	19.8	21.4	22.0
Average weekly placements of broiler chicks, 21 States (mil.)	57.7	63.6	66.7	63.9	71.7	74.7	76.8	76.8	72.9	68.7
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	1,716	1,950	1,892	244.4	86.3	80.8	129.3	189.5	199.9	—
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	53.2	48.7	54.0	53.4	60.9	59.2	61.3	63.6	67.8	68.0
Price of turkey grower feed (\$/ton)	167	174	184	176	179	183	184	186	186	182
Turkey-feed price ratio (lb.) ²	4.2	3.7	3.9	3.8	4.2	4.1	4.3	4.4	4.5	4.7
Stocks, beginning of period (mil. lb.)	275.0	195.2	203.4	253.6	136.6	112.9	101.1	103.6	152.1	212.7
Poults hatched (mil.)	137.1	149.5	148.4	8.1	18.1	19.1	20.7	18.8	15.0	9.6

¹ Price of cartoned eggs to volume buyers for delivery to retailers. ² Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

Meat animals:

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
Cattle on feed (7-States)										
Number on feed (thou. head) ¹	6,369	8,537	8,213	6,874	8,276	8,262	7,861	8,013	7,982	7,867
Placed on feed (thou. head) ²	18,095	18,976	20,817	1,511	1,887	1,509	2,034	1,769	1,587	1,736
Marketings (thou. head)	14,988	18,167	18,720	1,442	1,698	1,695	1,677	1,647	1,624	1,653
Other disappearance (thou. head)	939	1,133	1,383	58	203	215	205	153	78	115
Beef steer-corn price ratio, Omaha (bu.) ³	15.8	15.2	19.9	24.2	22.8	23.3	24.4	23.8	25.5	26.5
Hog-corn price ratio, Omaha (bu.) ³	16.9	16.5	20.2	26.4	22.2	20.4	20.9	20.6	21.8	24.5
Commercial slaughter (thou. head)										
Cattle	40,911	42,654	41,856	3,750	3,468	3,180	3,435	3,257	3,061	3,456
Steers	17,819	18,879	19,342	1,759	1,661	1,507	1,656	1,540	1,414	1,583
Heifers	10,438	12,158	11,748	1,065	999	916	972	922	946	1,092
Cows	11,557	10,619	9,864	840	742	690	735	723	637	705
Bulls and stags	1,097	998	902	86	66	67	72	72	64	76
Calves	5,209	5,350	5,517	485	439	352	336	318	304	347
Sheep and lambs	7,835	6,714	6,356	578	502	450	468	457	423	459
Hogs	68,687	73,784	77,303	6,410	7,068	6,459	6,556	6,022	5,630	6,479
Commercial production (mil. lb.)										
Beef	23,673	25,667	24,986	2,229	2,074	1,910	2,066	1,960	1,853	2,096
Veal	827	813	794	72	60	50	52	47	44	50
Lamb and mutton	399	361	341	29	28	25	26	25	23	25
Pork	11,586	12,488	13,051	1,074	1,179	1,093	1,125	1,046	962	1,101
Market prices					Dol. per 100 pounds					
Slaughter cattle:										
Choice steers, Omaha	44.61	39.11	40.38	40.11	48.66	52.52	57.28	55.38	54.59	52.40
Utility cows, Omaha	21.09	25.31	25.32	25.38	32.44	36.94	39.21	37.61	38.09	37.85
Choice vealers, S. St. Paul	40.44	45.18	48.19	46.20	47.60	69.45	77.26	73.28	75.72	81.66
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	33.91	39.40	40.19	41.99	52.00	55.08	60.36	58.56	60.60	63.08
Slaughter hogs:										
Barrows and gilts, No. 1&2, Omaha ⁴	50.12	44.70	42.10	44.81	48.01	46.60	50.15	49.06	47.82	49.33
Barrows and gilts, 7-markets	48.32	43.11	41.07	44.38	47.50	46.04	49.17	48.31	46.78	48.77
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	44.80	36.54	35.42	39.84	51.63	54.57	54.08	45.36	45.21	50.83
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	44.45	49.87	54.28	51.46	76.69	73.12	72.85	61.44	60.62	59.70
Ewes, Good, San Angelo	15.34	17.69	19.19	16.75	28.40	23.81	24.15	25.50	27.33	28.80
Feeder lambs:										
Choice, San Angelo	41.40	51.28	55.12	50.75	80.85	73.33	75.05	68.75	69.33	76.10
Wholesale meat prices, Midwest⁵										
Choice steer beef, 600-700 lb.	72.55	60.99	62.67	62.49	74.88	81.43	88.48	85.95	84.81	79.94
Canner and Cutter cow beef	42.90	52.00	51.55	51.12	67.79	74.13	76.17	73.53	77.62	75.29
Pork loins, 8-14 lb.	92.69	86.45	83.04	85.21	90.04	89.29	97.70	100.54	97.03	93.66
Pork bellies, 12-14 lb.	78.52	65.27	54.19	63.96	74.58	70.61	66.97	56.87	57.93	58.39
Hams, skinned, 14-17 lb.	84.06	79.79	76.50	75.47	80.35	72.34	78.45	77.45	78.07	83.54

	Annual			1977	1978					
	1975	1976	1977	II	III	IV	I	II	III	IV
Cattle on feed (23-States):										
Number on feed (thou. head) ¹	9,622	12,328	11,948	10,619	9,765	9,793	12,799	11,716	10,920	—
Placed on feed (thou. head) ²	24,685	25,508	27,647	6,007	6,479	9,547	6,479	6,529	—	—
Marketings (thou. head)	20,500	24,170	24,861	6,147	6,159	6,093	6,773	6,591	—	—
Other disappearance (thou. head)	1,479	1,718	1,935	714	292	448	789	734	—	—
Hogs and pigs (14-States):⁶										
Inventory (thou. head) ¹	47,170	41,855	47,120	44,100	46,640	49,233	48,308	44,680	47,025	48,940
Breeding (thou. head) ¹	6,283	6,368	6,788	7,016	7,352	7,200	7,324	6,930	7,405	7,396
Market (thou. head) ¹	40,887	35,487	40,332	37,084	39,288	42,033	40,984	37,750	39,620	41,544
Farrowings (thou. head)	8,417	9,996	10,506	2,893	2,605	2,565	2,285	2,880	2,597	2,644
Pig crop (thou. head)	60,476	72,580	75,217	21,386	18,804	18,421	15,626	20,791	18,693	—

¹ Beginning of period. ² Other disappearance excluded in 1973; not comparable with 1974 and 1975. ³ Bushels of corn equal in value to 100 pounds liveweight. ⁴ 220-240 lb. ⁵ Prior to Oct. 1975, Chicago. ⁶ Quarters are Dec. preceding year-Feb. (I), Mar-May (II), June-Aug (III), and Sept-Nov (IV). ⁷ Intentions.

Wool:

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
U.S. wool price, Boston ¹ (cts./lb.)	150	182	183	183	178	181	184	192	192	192
Imported wool price, Boston ² (cts./lb.)	202	214	224	220	226	228	230	234	234	234
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	94,117	106,629	95,485	7,448	10,472	8,792	9,211	10,282	6,187	n.a.
Carpet wool (thou. lb.)	15,908	15,117	12,526	1,141	1,218	1,085	1,030	1,527	785	n.a.

¹ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2 3/4" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. ² Wool price delivered at U.S. mills, clean basis, Australian 64's, type 78, including duty (25.5 cents). Prior to January 1976 reported as: Australian 64's combing, excluding duty. n.a. Not available.

Crops and Products

Supply and utilization of major crops¹

	Domestic measure ²				Metric measure ²			
	1976/77	1977/78 estimated	1978/79		1976/77	1977/78 estimated	1978/79	
			Projected	Probable* variability			Projected	Probable* variability
Wheat:								
Mil. acres				Mil. hectares				
Area								
Planted	80.2	74.8	66.3	—	32.5	30.3	26.8	—
Harvested	70.8	66.2	56.5	—	28.7	26.8	22.9	—
Bu. per acre				Metric tons per hectare				
Yield per harvested unit	30.3	30.6	31.6	—	2.1	2.1	2.2	—
Mil. bu.				Mil. metric tons				
Beginning stocks	665	1,112	1,174	—	18.1	30.3	32.0	—
Production	2,142	2,026	1,788	+25 to -25	58.3	55.1	48.7	+1 to -1
Imports	3	2	2	—	.1	.1	.1	—
Supply, total	2,810	3,140	2,964	+25 to -25	76.5	85.5	80.7	+1 to -1
Domestic	748	842	745	+60 to -60	20.4	22.9	20.3	+2 to -2
Exports	950	1,124	1,100	+100 to -100	25.8	30.6	29.9	+3 to -3
Use, total	1,698	1,966	1,845	+150 to -150	46.2	53.5	50.2	+5 to -5
Ending stocks	1,112	1,174	1,119	+165 to -165	30.3	32.0	30.5	+5 to -5
Dol. per bu.				Dol. per metric ton				
Price received by farmers	2.73	³ 2.31	2.70-3.00	—	100.31	³ 84.88	99-110	—
Price, Kansas City, No. 1 HRW . . .	2.88	2.72	—	—	105.82	⁴ 99.94	—	—
Rice:								
Mil. acres				Mil. hectares				
Area								
Allotment	1.80	1.80	1.80	—	.73	.73	.73	—
Planted	2.49	2.26	3.04	—	1.01	.91	1.23	—
Harvested	2.48	2.25	3.02	—	1.00	.91	1.22	—
Lb. per acre				Metric tons per hectare				
Yield per harvested unit	4,663	4,412	4,518	—	5.23	4.94	5.06	—
Mil. cwt.				Mil. metric tons				
Beginning stocks	36.9	40.5	27.4	—	1.7	1.8	1.2	—
Production	115.6	99.2	137.2	+5.0 to -5.0	5.2	4.5	6.2	+2 to -2
Imports . . . . .	.1	—	—	—	—	—	—	—
Supply, total	152.6	139.7	164.6	—	6.9	6.3	7.5	—
Domestic	42.7	37.6	44.0	+2.0 to -2.0	1.9	1.7	2.0	+1 to -1
Exports	65.6	72.8	67.0	+5.0 to -5.0	3.0	3.3	3.0	+2 to -2
Use, total	108.3	110.4	111.0	+6.0 to -6.0	4.9	5.0	5.0	+3 to -3
Ending stocks	40.5	27.4	53.6	+7.0 to -7.0	1.8	1.2	2.4	+3 to -3
Difference unaccounted	+3.8	+2.0	—	—	+2	—	—	—
Dol. per cwt.				Dol. per metric ton				
Price received by farmers	7.02	³ 9.43	6.50-7.50	—	154.76	³ 207.89	143-165	—
Price, long-grain milled, S.W. La. .	14.60	⁴ 21.30	—	—	321.87	⁴ 469.14	—	—
Feed grains: ³								
Mil. acres				Mil. hectares				
Area								
Planted	128.7	128.1	121.4	—	—	—	—	—
Harvested	106.3	107.0	102.2	—	—	—	—	—
Metric tons per acre				Metric tons per hectare				
Yield per harvested unit	1.82	1.89	2.04	—	—	—	—	—
Mil. short tons				Mil. metric tons				
Beginning stocks	—	—	—	—	17.2	29.9	40.4	—
Production	—	—	—	—	193.4	201.8	208.7	+8 to -8
Imports	—	—	—	—	4	.3	.3	—
Supply, total	—	—	—	—	211.0	232.0	249.4	—
Feed	—	—	—	—	112.6	117.6	125.9	+7 to -7
Food, seed, and industrial uses . . .	—	—	—	—	17.9	18.8	19.4	—
Domestic, total	—	—	—	—	130.5	136.4	145.3	+7 to -7
Exports	—	—	—	—	50.6	55.2	52.3	+5 to -5
Use, total	—	—	—	—	181.1	191.6	197.6	+10 to -10
Ending stocks	—	—	—	—	29.9	40.4	51.8	+9 to -9

See footnotes at end of table.

Supply and utilization of major crops¹—Continued

	Domestic measure ²				Metric measure ³			
	1976/77	1977/78 estimated	1978/79		1976/77	1977/78 estimated	1978/79	
			Projected	Probable* variability			Projected	Probable* variability
Corn:								
Area	Mil. acres				Mil. hectares			
Planted	84.4	82.7	78.5	—	34.2	33.5	31.8	—
Harvested	71.3	70.0	67.8	—	28.9	28.3	27.4	—
Yield per harvested unit	Bu. per acre				Metric tons per hectare			
	87.9	91.0	100.3	—	5.51	5.71	6.03	—
	Mil. bu.				Mil. metric tons			
Beginning stocks	399	884	1,057	—	10.0	22.5	26.8	—
Production	6,266	6,371	6,798	+300 to -300	159.2	161.8	172.7	+8 to -8
Imports	3	2	1	—	.1	(⁶)	(⁶)	—
Supply, total	6,668	7,257	7,856	—	169.4	184.3	199.6	—
Feed	3,587	3,750	4,050	+200 to -200	91.1	95.2	102.9	+5 to -5
Food, seed, and industrial uses	513	550	570	—	13.0	14.0	14.5	—
Domestic, total	4,100	4,300	4,620	+200 to -200	104.1	109.2	117.4	+5 to -5
Exports	1,684	1,900	1,800	+150 to -150	42.8	48.3	45.7	+4 to -4
Use, total	5,784	6,200	6,420	+300 to -300	146.9	157.5	163.1	+8 to -8
Ending stocks	884	1,057	1,436	+250 to -250	22.5	26.8	36.5	+6 to -6
	Dol. per bu.				Dol. per metric ton			
Price received by farmers	2.15	³ 2.03	1.85-2.05	—	84.64	³ 79.92	73-81	—
Price, Chi., No. 2 yellow	2.30	⁴ 2.27	—	—	90.55	⁴ 89.37	—	—
Soybeans:								
Area	Mil. acres				Mil. hectares			
Planted	50.2	59.1	64.4	—	20.3	23.9	26.1	—
Harvested	49.4	57.9	63.3	—	20.0	23.4	25.6	—
Yield per harvested unit	Bu. per acre				Metric tons per hectare			
	26.1	29.6	28.0	—	1.76	1.99	1.88	—
	Mil. bu.				Mil. metric tons			
Beginning stocks	245	103	135	+10 to -10	6.7	2.8	3.7	+3 to -3
Production	1,288	1,716	1,772	+70 to -70	35.1	46.7	48.2	+1.9 to -1.9
Supply, total	1,533	1,819	1,907	+70 to -70	41.7	49.5	51.9	+1.9 to -1.9
Crushings	790	925	960	+50 to -50	21.5	25.3	26.1	+1.4 to -1.4
Exports	564	700	720	+50 to -50	15.3	19.1	19.6	+1.4 to -1.4
Seed, feed, and residual	76	59	77	—	2.1	1.6	2.1	—
Use, total	1,430	1,684	1,757	+75 to -75	38.9	45.8	47.8	+2.0 to -2.0
Ending stocks	103	135	150	+50 to -50	2.8	3.7	4.1	+1.4 to -1.4
	Dol. per bu.				Dol. per metric ton			
Price received by farmers	³ 6.81	5.80	6.00	+1.00 to -1.00	³ 250	213	220	+37 to -37
Price, Chi., No. 1 yellow	7.36	⁴ 6.08	—	—	270.43	⁴ 223.40	—	—
Soybean oil:								
	Mil. lb.				Thou. metric tons			
Beginning stocks	1,251	767	890	+50 to -50	567	348	404	+23 to -23
Production	8,578	10,273	10,370	+500 to -500	3,891	4,660	4,704	+227 to -227
Supply, total	9,829	11,040	11,260	+500 to -500	4,458	5,008	5,108	+227 to -227
Domestic	7,515	8,150	8,450	+500 to -500	3,409	3,697	3,833	+227 to -227
Exports	1,547	2,000	1,800	+300 to -300	702	907	816	+136 to -136
Use, total	9,062	10,150	10,250	+400 to -400	4,111	4,604	4,649	+181 to -181
Ending stocks	767	890	1,010	+200 to -200	348	404	458	+91 to -91
	Cts. per lb.				Cts. per kilogram			
Price, crude, Decatur	24	25	23	+5 to -5	52.9 ⁵	55.1	50.7	+110 to -110

See footnotes at end of table.

Supply and utilization of major crops¹—Continued

	Domestic measure ²				Metric measure ²			
	1976/77	1977/78 estimated	1978/79		1976/77	1977/78 estimated	1978/79	
			Projected	Probable* variability			Projected	Probable* variability
Soybean meal:			Thou. short tons				Thou. metric tons	
Beginning stocks	355	228	328	+50 to -50	322	207	298	+45 to -45
Production	18,488	22,350	22,800	+1,200 to -1,200	16,772	20,276	20,684	+1,089 to -1,089
Supply, total	18,843	22,578	23,128	+1,200 to -1,200	17,094	20,482	20,981	+1,089 to -1,089
Domestic	14,056	16,300	17,000	+1,000 to -1,000	12,751	14,787	15,422	+907 to -907
Exports	4,559	5,950	5,800	+400 to -400	4,136	5,398	5,262	+363 to -363
Use, total	18,615	22,250	22,800	+1,000 to -1,000	16,887	20,185	20,684	+907 to -907
Ending stocks	228	328	328	+75 to -75	207	298	298	+68 to -68
			Dol. per short ton				Dol. per metric ton	
Price, bulk, Decatur, 44%	199.80	165.00	175.00	+25 to -25	220.26	184	193	+26 to -26
Cotton: ⁷			Mil. acres				Mil. hectares	
Area								
Planted	11.7	13.7	13.0	—	4.7	5.5	5.3	—
Harvested	10.9	13.3	12.3	—	4.4	5.4	5.0	—
			Lb. per acre				Metric tons per hectare	
Yield per harvested unit	465	520	436	—	52	58	52	—
			Mil. 480-lb. bales				Mil. metric tons	
Beginning stocks	3.7	2.9	5.3	+1 to -1	1.8	1.6	1.2	(⁶)
Production	10.6	14.4	11.2	+8 to -8	2.3	3.1	2.4	+2 to -2
Supply, total ⁸	14.3	17.3	16.5	+8 to -8	3.1	3.8	3.6	+2 to -2
Mill use	6.7	6.5	6.3	+4 to -4	1.5	1.4	1.4	+1 to -1
Exports	4.8	5.5	5.6	+1.0 to -1.0	1.0	1.2	1.2	+2 to -2
Use, total	11.5	12.0	11.9	+1.0 to -1.0	2.5	2.6	2.6	+2 to -2
Difference unaccounted ¹⁰ . . . . .	.1	(⁶)	.1	—	(⁶)	(⁶)	(⁶)	(⁶)
Ending stocks	2.9	5.3	4.7	+1.0 to -1.0	1.6	1.2	1.0	+2 to -2
			Cts. per lb.				Cts. per kilogram	
Price received by farmers	64.1	51.7	—	—	141.3	114.0	—	—
Price, SLM, 1-1/16 in., spot	70.9	52.7	—	—	156.3	116.2	—	—

¹ Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, and soybean oil and meal. ² Conversion factors: Hectare (ha.)=2.471 acres; and 1 metric ton=2,204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. ³ Season average estimate. ⁴ Average for beginning of marketing year through August 1978. ⁵ Corn, sorghum, oats, and barley. ⁶ Less than 0.05. ⁷ Upland and extra long staple. ⁸ Based on Census Bureau data. ⁹ Includes imports. ¹⁰ Difference between ending stocks based on Census Bureau data and preceding season's supply less distribution. ¹¹ Average to April 1, 1978.

*Reflects the "root mean square error" and/or "standard error of estimate" from trend and judgement. Chances are about 2 out of 3 that the outcome will fall within the indicated ranges.

Feed grains:

	Marketing year ¹			1977 ²	1978					
	1974/75	1975/76	1976/77	Aug	Mar	Apr	May	June	July	Aug
Wholesale Prices:										
Corn, No. 2 yellow, Chicago (\$/bu.)	3.12	2.75	2.30	1.78	2.36	2.51	2.57	2.51	2.28	2.17
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	5.04	4.46	3.49	2.73	3.78	3.92	3.92	3.82	3.54	3.41
Barley, feed, Minneapolis (\$/bu.)	2.58	2.38	2.35	1.50	1.66	1.99	1.90	1.84	1.71	1.68
Barley, malting, Minneapolis (\$/bu.) ³	4.16	3.52	3.13	1.92	2.32	2.44	2.51	2.39	2.13	2.19
Exports:										
Corn (mil. bu.)	1,149	1,711	1,684	122	158	162	208	215	172	*154
Feed grains (mil. short tons) ³	39.4	55.1	55.8	4.3	5.1	5.1	6.4	6.4	5.5	*4.8

	Marketing year ¹			1977				1978		
	1974/75	1975/76	1976/77	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Corn:										
Stocks, beginning (mil. bu.)	484	361	399	4,890	3,293	2,365	884	5,463	3,842	2,800
Domestic use:										
Feed (mil. bu.)	3,226	3,592	3,587	1,070	550	808	1,249	1,077	571	—
Food, seed, ind. (mil. bu.)	451	490	513	127	96	169	125	130	101	—
Feed grains: ³										
Stocks, beginning (mil. short tons)	23.7	16.9	19.0	163.8	109.2	77.4	47.8	187.1	131.5	96.4
Domestic use:										
Feed (mil. short tons)	116.1	128.0	124.1	36.0	18.5	28.5	43.0	37.2	19.3	—
Food, seed, ind. (mil. short tons)	17.7	18.8	19.7	4.8	4.2	6.3	4.5	4.9	4.4	—

¹ Beginning October 1 for corn and sorghum; June 1 for oats and barley. ² No. 3 or better, 65% or better plump beginning October 1977. ³ Aggregated data for corn, sorghum, oats, and barley. ⁴ Based on Inspections for Export. p Preliminary.

Food grains:

	Marketing year ¹			1977	1978					
	1974/75	1975/76	1976/77	Aug	Mar	Apr	May	June	July	Aug
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City (\$/bu.) ²	4.20	3.74	2.88	2.31	3.07	3.21	3.12	3.12	3.14	3.14
Wheat, DNS, Minneapolis (\$/bu.) ²	4.57	3.74	2.96	2.22	2.86	3.08	3.10	3.06	2.95	2.96
Flour, Kansas City (\$/cwt.)	10.19	9.25	7.21	5.91	6.96	8.25	7.46	7.23	7.60	7.58
Flour, Minneapolis (\$/cwt.)	11.40	10.41	8.34	6.69	7.65	8.64	8.39	8.10	8.25	7.94
Rice, S.W. La. (\$/cwt.) ³	21.50	17.20	14.60	15.95	23.75	23.50	22.00	21.50	20.40	18.75
Wheat:										
Exports (mil. bu.)	1,018	1,173	950	97	111	111	128	117	111	—
Mill grind (mil. bu.)	538	572	593	52	55	50	54	52	—	—
Wheat flour production (mil. cwt.)	239	255	263	23	24	23	24	23	—	—
	Marketing year ¹			1977				1978		
	1974/75	1975/76	1976/77	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Wheat:										
Stocks, beginning (mil. bu.)	340	435	665	1,782	1,390	1,112	2,398	1,990	1,525	1,174
Domestic use:										
Food (mil. bu.)	521	559	553	138	82	182	147	146	94	—
Feed and seed (mil. bu.) ⁴	151	163	195	75	44	177	36	41	19	—
Exports (mil. bu.)	1,018	1,173	950	179	152	382	225	279	238	—

¹ Beginning June 1 for wheat and August 1 for rice. ² Ordinary protein. ³ Long-grain, milled basis. ⁴ Feed use approximated by residual.

Vegetables:

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar ¹	Apr	May	June	July	Aug
Wholesale prices:										
Potatoes, white, f.o.b. East (\$/cwt.)	5.65	5.90	5.52	4.07	3.79	4.67	3.62	11.62	8.73	4.87
Iceberg lettuce (\$/ctn.) ²	2.70	3.57	3.23	3.06	3.66	9.77	6.49	6.95	4.65	2.79
Tomatoes (\$/ctn.) ²	5.81	6.44	6.61	5.64	7.78	11.89	7.15	7.46	6.20	3.97
Wholesale Price index, 10 canned veg. (1967=100)										
	168	160	170	169	165	166	168	170	173	179
Grower Price index, fresh commercial veg. (1967=100)										
	173	170	197	160	209	296	247	251	220	178

¹ Std. carton 24's, f.o.b. shipping point. ² 2 layers, 5 x 6-6 x 6, f.o.b. Fla.-Cal.

Fruit:

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
Wholesale price indexes:										
Fresh fruit (1967=100)	157.8	160.4	177.5	184.0	188.2	200.1	194.6	214.8	253.6	242.3
Dried fruit (1967=100)	213.4	234.9	338.4	353.3	284.3	285.1	291.2	292.0	293.9	307.1
Canned fruit and juice (1967=100)	173.8	174.4	190.4	191.0	204.9	205.7	207.4	210.3	213.9	216.9
Frozen fruit and juice (1967=100)	156.5	156.2	196.5	205.7	229.9	229.9	229.9	229.9	229.9	230.1
F.o.b. shipping point prices:										
Apples, Yakima Valley (\$/ctn.) ¹	7.36	7.46	9.11	—	10.87	11.80	15.26	16.00	15.76	—
Pears, Yakima Valley (\$/box) ²	6.63	7.35	6.94	—	11.17	14.63	19.25	—	—	—
Oranges, U.S. avg. (\$/box)	6.76	6.72	7.44	9.04	10.18	9.51	9.86	10.34	10.68	13.40
Grapefruit, U.S. avg. (\$/box)	6.18	5.76	6.34	7.33	5.83	5.66	5.63	7.41	9.51	10.40
Stocks, beginning:										
Fresh apples (mil. lb.)	2,214.1	2,569.3	2,249.0	57.3	1,171.1	750.0	431.1	185.7	72.9	13.9
Fresh pears (mil. lb.)	170.5	162.3	211.6	48.2	56.4	23.3	3.9	—	—	4.2
Frozen fruit (mil. lb.)	607.3	558.3	538.9	585.3	513.4	468.5	418.7	384.3	435.5	511.3
Frozen fruit juices (mil. lb.)	883.0	967.0	844.1	1,062.7	772.6	871.7	1,033.4	1,140.1	1,162.4	1,079.7

¹ Red Delicious, Washington extra fancy, carton tray pack. 80-125's: Regular storage through Feb., C.A. Storage beginning March. ² D'Anjou pears, Washington wrapped. U.S. No. 1, 90-135's: Regular storage through Feb., C.A. Storage beginning March.

Cotton:

	Marketing year ¹			1977	1978					
	1974/75	1975/76	1976/77	Aug	Mar	Apr	May	June	July	Aug
U.S. price, SLM, 1-1/16 in. (cts./lb.) ²	41.7	58.0	70.9	52.5	55.0	54.7	57.6	57.4	57.0	59.9
Northern Europe prices:										
Index (cts./lb.) ³	52.5	65.3	81.7	62.7	68.5	69.3	70.7	71.4	70.7	73.2
U.S., SM 1-1/16 in. (cts./lb.) ⁴	56.4	71.4	82.4	63.6	68.3	69.4	72.1	72.4	71.4	74.5
U.S. mill consumption (thou. bales)	5,833.7	7,227.7	6,674.4	407.7	646.2	505.3	504.3	600.0	399.5	—
Exports (thou. bales)	3,925.9	3,311.3	4,783.6	189.5	741.9	672.9	537.5	556.0	480.6	—

¹ Beginning August 1. ² Average spot market. ³ Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths. ⁴ Memphis territory growths.

Fats and oils:

	Marketing year ¹			1977	1978					
	1974/75	1975/76	1976/77	Aug	Mar	Apr	May	June	July	Aug
Soybeans:										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	6.34	5.25	7.36	5.66	6.53	6.81	7.09	6.79	6.54	6.43
Crushings (mil. bu.)	701.3	865.1	790.2	49.1	86.5	80.1	82.7	72.4	70.8	73.9
Processing margin (\$/bu.) ²	.17	.16	.19	.28	1.40	.14	.35	.25	.31	.32
Exports (mil. bu.)	420.7	555.1	564.1	18.1	66.6	72.7	79.3	63.4	34.7	—
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	30.7	18.3	23.9	21.1	26.6	26.8	28.8	26.9	25.9	26.3
Production (mil. lb.)	7,375.3	9,629.8	8,577.9	553.6	943.3	866.9	908.2	795.1	782.1	—
Domestic disappearance (mil. lb.)	6,518.1	7,906.1	7,454.4	569.3	732.9	616.0	710.5	612.9	593.7	—
Exports (mil. lb.)	1,028.3	975.8	1,547.5	72.0	263.1	232.5	184.2	162.6	185.3	—
Stocks, beginning (mil. lb.)	793.5	560.6	1,250.6	1,032.0	856.5	803.8	822.2	828.7	841.2	—
Soybean meal:										
Wholesale price, 44% protein, Decatur (\$/ton)	130.86	147.77	199.80	140.30	171.90	173.00	177.40	169.75	172.00	162.90
Production (thou. ton)	16,701.5	20,754.2	18,488.1	1,187.0	2,050.0	1,903.3	1,959.4	1,725.2	1,680.6	1,757.8
Domestic disappearance (thou. ton)	12,501.3	15,551.6	14,000.8	1,034.9	1,340.9	1,163.1	1,476.8	1,275.2	1,332.2	—
Exports (thou. ton)	4,298.8	5,144.8	4,559.2	276.1	721.5	659.3	508.9	540.8	399.4	—
Stocks, beginning (thou. ton)	507.3	358.3	354.9	399.0	239.7	227.3	308.2	281.9	230.9	199.8
Margarine, wholesale price, Chicago (cts./lb.)	44.3	37.9	31.4	40.3	39.0	41.7	42.8	47.4	46.0	45.7

¹ Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1974, 1975, and 1976 for margarine. ² Spot basis, Illinois shipping points.

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
Wholesale price, N. Y. (\$/cwt.) ¹	22.47	13.31	³ 10.99	11.21	—	—	—	—	—	—
U.S. deliveries (thou. short tons) ^{1, 2}	9,974	10,856	11,207	1,127	927	861	888	1,028	⁴ 896	⁴ 1,102

¹ Raw value. ² Excludes Hawaii. ³ Ten month average. ⁴ Preliminary.

Tobacco:

	Annual			1977	1978					
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
Prices at auctions:										
Flue-cured (cts./lb.) ¹	99.8	110.4	117.6	1.156	—	—	—	—	127.9	131.8
Burley (cts./lb.) ¹	105.6	114.2	120.0	—	115.5	—	—	—	—	—
Domestic consumption ²										
Cigarettes (bil.)	588.3	617.1	³ 592.0	56.2	55.3	50.3	54.4	58.3	44.4	—
Large cigars (mil.)	5,692	6,266	³ 4,840	405.1	434.2	371.6	413.4	436.7	317.5	—

¹ Crop year July-June for flue-cured, October-September for burley. ² Taxable removals. ³ Subject to revision.

Coffee:

	Annual			1977	1978p					
	1975	1976	1977p	Aug	Mar	Apr	May	June	July	Aug
Composite green price, N. Y. (cts./lb.)	71.76	142.48	256.38	240.17	167.67	166.78	158.40	169.82	143.14	143.77
Imports, green bean equivalent (mil. lb.) ¹	2,767	2,717	1,974	85	230	218	185	173	185	² 200
	Annual			1976	1977		1978p			
	1975	1976	1977p	Oct-Dec	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
Roastings (mil. lb.) ²	2,454	2,519	1,892	611	428	313	522	591	470	² 440

¹ Green and processed coffee. ² Instant soluble and roasted coffee. p preliminary. ³ Forecast.

General Economic Data

Gross national product and related data

	First half			1976		1977				1978	
	1976	1977	1978	III	IV	I	II	III	IV	I	II
\$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product ¹	1,667.6	1,836.9	2,039.8	1,715.6	1,749.6	1,806.8	1,867.0	1,916.8	1,958.1	1,992.0	2,087.5
Personal consumption expenditures	1,064.4	1,178.2	1,300.8	1,098.4	1,133.7	1,167.7	1,188.6	1,214.5	1,255.2	1,276.7	1,322.9
Durable goods	153.4	174.4	190.6	156.7	162.8	173.2	175.6	177.4	187.2	183.5	197.8
Nondurable goods	433.8	469.8	510.4	444.5	458.3	465.9	473.6	479.7	496.9	501.4	519.3
Clothing and shoes	74.0	78.9	85.2	76.1	78.5	78.5	79.3	81.4	86.7	82.9	87.5
Food and beverages	221.7	241.0	262.8	227.4	232.3	237.5	244.5	246.4	252.6	257.7	267.8
Services	477.2	534.0	598.8	497.2	512.6	528.6	539.4	557.5	571.1	591.8	605.8
Gross private domestic investment	237.5	284.0	334.0	249.9	247.1	272.5	295.6	309.7	313.5	322.7	345.4
Fixed investment	224.1	270.4	315.6	235.3	247.6	262.2	278.6	287.8	300.5	306.0	325.3
Nonresidential	160.0	183.9	212.8	168.1	170.5	180.6	187.2	193.5	200.3	205.6	220.1
Residential	64.2	86.5	102.8	67.3	77.1	81.6	91.4	94.3	100.2	100.3	105.3
Change in business inventories	13.4	13.6	18.4	14.5	-6	10.3	17.0	21.9	13.1	16.7	20.1
Net exports of goods and services	10.0	-7.2	-14.8	6.9	2.8	-8.5	-5.9	-7.0	-23.2	-24.1	-5.5
Exports	157.6	174.5	193.6	168.2	169.4	170.9	178.1	180.8	172.1	181.7	205.4
Imports	147.5	181.7	208.4	161.3	166.6	179.4	184.0	187.8	195.2	205.8	210.9
Government purchases of goods and services	355.6	381.9	420.7	360.4	366.3	375.0	388.8	399.5	412.5	416.7	424.7
Federal	127.4	140.6	149.4	129.9	134.6	138.3	142.9	146.8	152.2	151.5	147.2
State and local	228.2	241.3	271.4	230.5	231.7	236.7	245.9	252.7	260.3	265.2	277.6

1972 \$ Bil. (Quarterly data seasonally adjusted at annual rates)

Gross national product	1,261.8	1,316.1	1,368.4	1,276.5	1,284.0	1,306.7	1,325.5	1,343.9	1,354.5	1,354.2	1,382.6
Personal consumption expenditures	810.2	848.0	879.9	820.9	836.2	846.6	849.5	858.0	876.6	873.5	886.3
Durable goods	125.0	135.6	141.8	125.3	128.5	134.9	136.2	136.9	143.0	137.8	145.8
Nondurable goods	316.4	327.2	334.8	320.5	327.7	327.1	327.2	329.2	338.1	333.3	336.3
Clothing and shoes	63.5	65.0	68.2	64.2	65.7	64.9	65.1	66.2	70.2	66.8	69.5
Food and beverages	156.3	164.0	165.2	159.8	162.9	163.3	164.7	164.9	167.6	165.6	164.7
Services	368.8	385.3	403.3	375.1	380.0	384.6	386.0	391.8	395.6	402.4	404.2
Gross private domestic investment	171.6	191.6	209.4	177.1	173.4	186.1	197.1	201.7	200.3	205.7	213.1
Fixed investment	162.8	183.7	196.9	167.8	173.6	180.3	187.1	189.5	192.8	193.4	200.4
Nonresidential	116.6	128.0	137.2	121.0	121.4	126.8	129.1	130.8	132.5	133.8	140.5
Residential	46.2	55.8	59.8	46.8	52.3	53.5	58.0	58.8	60.3	59.5	59.9
Change in business inventories	8.8	7.9	12.2	9.3	-2	5.8	10.0	12.2	7.5	12.3	12.7
Net exports of goods and services	16.3	11.1	7.1	16.1	13.1	11.2	11.0	12.5	3.1	2.9	11.3
Exports	94.2	98.0	103.8	98.0	97.3	97.1	98.9	100.8	96.0	99.1	108.4
Imports	78.0	86.9	96.6	81.9	84.2	85.9	87.9	88.2	92.9	96.2	97.1
Government purchases of goods and services	263.8	265.4	272.0	262.5	261.3	262.8	267.9	271.7	274.5	272.1	271.9
Federal	96.0	100.0	99.2	96.8	97.5	98.7	101.3	102.9	103.6	101.2	97.1
State and local	167.7	165.4	172.8	165.7	163.8	164.1	166.6	168.8	170.9	170.8	174.8
New plant and equipment expenditures (\$ bil.)	116.42	132.20	146.56	122.55	125.22	130.16	134.24	140.38	138.11	144.25	148.88
Implicit price deflator for GNP (1972=100)	132.16	139.56	149.04	134.39	136.28	138.27	140.86	142.63	144.56	147.10	150.98
Disposable income (\$ bil.)	1,161.6	1,266.6	1,412.5	1,192.8	1,221.5	1,248.0	1,285.3	1,319.1	1,359.6	1,391.6	1,433.3
Disposable income (1972 \$ bil.)	884.0	911.7	956.2	891.5	900.9	904.8	918.6	931.9	949.6	952.1	960.3
Per capita disposable income (\$)	5,408	5,853	6,476	5,538	5,660	5,772	5,934	6,077	6,250	6,387	6,566
Per capita disposable income (1972 \$)	4,116	4,213	4,384	4,139	4,174	4,185	4,241	4,293	4,365	4,370	4,399
U.S. population, tot. incl. military abroad (mil.)	214.8	216.4	218.1	215.4	215.8	216.2	216.6	217.1	217.5	217.9	218.3
Civilian population (mil.)	212.6	214.3	216.0	213.2	213.7	214.1	214.5	214.9	215.4	215.8	216.2

See footnotes at end of next table.

Selected monthly indicators

	January-June			1977		1978				
	1976	1977	1978p	Aug	Mar	Apr	May	June	July	Aug
Monthly data seasonally adjusted except as noted										
Industrial production, total ² (1967=100)	128.3	135.3	141.8	138.1	140.9	143.2	143.9	144.9	145.9p	146.6p
Manufacturing (1967=100)	128.0	135.0	142.1	138.6	141.4	143.5	144.3	145.4	146.4p	147.3p
Durable (1967=100)	119.8	127.0	135.1	131.3	134.4	136.9	137.6	138.8	140.8p	141.9p
Nondurable (1967=100)	139.9	146.6	152.3	149.4	151.4	153.2	154.0	154.8p	154.7p	155.2p
Leading economic indicators ³ (1967=100)	123.2	128.9	136.0	131.4	135.2	136.5	136.9	137.8	136.0p	137.1p
Employment ⁴ (mil. persons)	87.0	89.7	93.6	90.8	93.3	93.8	94.1	94.8	94.4	94.6
Unemployment rate ⁴ (%)	7.6	7.3	6.1	7.0	6.2	6.0	6.1	5.7	6.2	5.9
Personal income ⁴ (\$bil. annual rate)	1,350.1	1,489.6	1,655.6	1,540.7	1,646.3	1,669.4	1,682.1	1,695.7	1,719.9	1,728.4p
Hourly earnings in manufacturing ⁴ (\$)	5.08	5.51	5.98	5.65	5.96	5.99	6.02	6.07	6.13p	6.13p
Money stock (daily average) ⁵ (\$bil.)	301.0	320.9	346.4	329.2	342.9	348.5	350.6	352.8	354.2p	356.8p
Time and savings deposits (daily average) ⁵ (\$bil.)	459.0	503.7	563.4	521.9	561.7	565.2	571.6	574.5	579.4p	583.0p
Three-month Treasury bill rate ⁶ (%)	5.061	4.726	6.444	5.500	6.319	6.306	6.430	6.707	7.074	7.036
Aaa corporate bond yield (Moody's) ⁶ (%)	8.54	8.02	8.56	7.98	8.47	8.56	8.69	8.76	8.88	8.69p
Interest rate on new home mortgages ⁷ (%)	8.94	8.98	9.29	9.02	9.26	9.30	9.37	9.46	9.57	9.69p
Housing starts, private (including farm) (thou.)	1,420	1,841	1,918	2,038	2,047	2,165	2,054	2,124	2,128	2,029p
Auto sales at retail, total ¹ (mil.)	10.2	11.4	11.4	11.5	11.8	12.3	12.1	11.8	11.0p	—
Business sales, total ¹ (\$bil.)	196.3	219.1	244.6	224.2	242.7	250.8	251.8	252.5p	250.3	—
Business inventories, total ¹ (\$bil.)	291.0	318.0	347.4	327.6	345.8	350.5	354.2	356.9	358.6	—
Sales of all retail stores (\$bil.) ¹	52.3	57.5	62.8	59.0	62.7	64.1	64.2	64.5	64.1p	64.6p
Durable goods stores (\$bil.)	17.1	19.5	21.2	20.0	20.9	22.0	21.8	22.0	21.5p	21.8p
Nondurable goods stores (\$bil.)	35.2	38.0	41.7	39.0	41.8	42.1	42.5	42.5	42.6p	42.7p
Food stores (\$bil.)	12.0	12.8	14.0	13.0	13.9	14.2	14.3	14.3	14.4	14.4p
Eating and drinking places (\$bil.)	4.7	5.2	5.7	5.4	5.8	5.8	5.8	5.9	6.0p	6.1p
Apparel and accessory stores (\$bil.)	2.7	2.7	2.9	2.8	2.9	3.0	3.0	2.9	3.0p	3.0p

¹ Department of Commerce. ² Board of Governors of the Federal Reserve System. ³ Composite index of 12 leading indicators. ⁴ Department of Labor, Bureau of Labor Statistics. ⁵ Not seasonally adjusted. ⁶ Moody's Investors Service. ⁷ Federal Home Loan Bank Board. ⁸ Adjusted for seasonal variations, holidays, and trading day differences. p. Preliminary.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

	Annual			1977		1978				
	1975	1976	1977	Aug	Mar	Apr	May	June	July	Aug
Export commodities:										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	4.16	3.65	2.85	2.63	3.43	3.67	3.48	3.52	3.52	3.53
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	3.10	2.91	2.49	2.03	2.80	3.04	2.97	2.81	2.55	2.43
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.95	2.73	2.30	1.95	2.52	2.72	2.79	2.58	2.37	2.32
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	5.72	6.07	7.38	6.30	7.20	7.54	7.78	7.25	7.08	6.81
Soybean oil, Decatur (cts./lb.)	25.39	18.05	23.69	21.13	26.62	26.80	28.79	26.87	25.87	26.31
Soybean meal, Decatur (\$/ton)	124.05	155.82	192.17	140.30	171.90	173.00	177.40	169.75	172.00	162.90
Cotton, 10 market avg. spot (cts./lb.)	44.70	67.70	60.48	52.54	55.01	54.72	57.59	57.35	56.99	59.86
Tobacco, avg. price of auction (cts./lb.)	103.50	105.73	114.24	112.36	115.70	117.00	117.01	116.97	118.84	124.00
Rice, f.o.b. mill, Houston (\$/cwt.)	21.28	16.17	16.96	16.05	24.10	23.25	22.10	21.75	21.50	19.00
Inedible tallow, Chicago (cts./lb.)	12.04	13.27	13.61	11.63	15.44	15.75	15.75	16.00	16.25	16.25
Import commodities:										
Coffee, N.Y. spot (cts./lb.) .....	.77	1.42	2.41	2.02	1.79	1.72	1.67	1.72	1.50	1.41
Sugar, N.Y. spot (cts./lb.)	22.47	13.31	10.99	11.21	13.99	15.82	15.76	13.57	12.63	13.29
Cow meat, f.o.b. port of entry (cts./lb.)	60.20	71.69	68.42	63.01	90.70	101.50	102.10	90.20	88.63	91.86
Rubber, N.Y. spot (cts./lb.)	30.60	39.59	41.59	40.70	45.36	44.30	45.60	49.24	49.91	52.21
Cocoa beans, N.Y. (\$/lb.) .....	.56	.94	1.72	2.41	1.54	1.53	1.41	1.35	1.43	1.51
Bananas, f.o.b. port of entry (\$/40-lb. box)	4.41	4.67	5.01	4.41	6.40	6.61	6.50	4.63	4.33	4.39
Canned Danish hams, ex-warehouse N.Y. (\$/lb.) ..	1.75	1.75	1.85	1.92	2.07	1.94	1.87	1.94	1.99	1.99
Quantity Indices										
Export (1967=100)	156	174	177	150	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Import (1967=100)	123	138	138	128	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Unit Value Indices										
Export (1967=100)	221	207	210	194	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Import (1967=100)	203	217	235	228	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

n.a. not available.

U.S. agricultural exports

	October-July				July			
	1976/77	1977/78	1976/77	1977/78	1977	1978	1977	1978
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excl. poultry	—	—	77,722	92,505	—	—	8,585	9,014
Meat and preps., excl. poultry (mt)	346	329	499,554	545,052	30	27	46,964	49,258
Dairy products, excl. eggs	—	—	136,924	127,975	—	—	16,248	12,659
Poultry and poultry products	—	—	246,751	274,961	—	—	31,477	22,914
Grains and preparations	—	—	7,823,931	8,720,981	—	—	721,979	1,003,481
Wheat and wheat flour (mt)	19,043	25,784	2,413,405	3,145,274	2,349	2,975	267,255	380,751
Rice, milled (mt)	1,787	1,727	552,007	671,948	221	161	71,489	68,682
Feed grains (mt)	42,774	45,644	4,653,581	4,686,766	3,709	4,960	365,750	534,756
Other	—	—	204,938	216,993	—	—	17,485	19,292
Fruits, nuts, and preparations	—	—	830,837	1,030,803	—	—	89,631	101,747
Vegetables and preparations	—	—	621,636	559,946	—	—	50,447	54,206
Sugar and preps., incl. honey	—	—	55,889	58,221	—	—	5,665	5,932
Coffee, tea, cocoa, spices, etc. (mt)	34	47	98,066	146,755	4	4	8,791	13,111
Feeds and fodders	—	—	1,373,604	1,451,492	—	—	14,082	138,341
Protein meal (mt)	3,779	5,353	850,400	988,197	233	414	63,591	85,775
Beverages, excl. distilled alcoholic (hl)	372	578	15,046	23,599	43	64	1,636	3,189
Tobacco, unmanufactured (mt)	238	229	868,128	944,548	23	20	84,436	89,247
Hides, skins, and furskins	—	—	691,618	696,729	—	—	55,541	63,054
Oilseeds	—	—	4,345,960	4,672,359	—	—	239,740	265,266
Soybeans (mt)	14,255	17,584	4,059,593	4,214,793	741	944	223,270	238,567
Wool, unmanufactured (mt)	3	3	20,229	26,470	(¹)	(¹)	881	1,352
Cotton, unmanufactured (mt)	901	1,107	1,408,236	1,436,639	64	104	98,906	133,264
Fats, oils, and greases (mt)	1,150	1,088	471,802	460,600	116	90	52,864	42,347
Vegetable oils and waxes (mt)	1,055	1,290	649,576	799,460	115	137	79,235	90,191
Rubber and allied gums (mt)	17	6	20,325	7,666	1	(¹)	1,664	417
Other	—	—	464,303	567,917	—	—	37,858	44,478
Total	—	—	20,720,137	22,644,478	—	—	1,746,630	2,133,468

¹ Less than 500. NOTE: 1 metric ton (mt) = 2,204.622 lb., 1 hectoliter (hl) = 100 liters = 26.42008 gal.

U.S. agricultural exports by regions

Region ¹	October-July		July		Change from year-earlier	
	1976/77	1977/78	1977	1978	Oct-July 1977/78	July 1978
	\$ Mil.				Pct.	
Western Europe	7,748	7,210	463	537	-7	+16
European Community	6,285	5,632	348	438	-10	+26
Other Western Europe	1,462	1,578	115	99	+8	-14
Eastern Europe and USSR	1,589	2,407	119	222	+51	+87
USSR	1,022	1,617	57	122	+58	+114
Eastern Europe	567	790	62	100	+39	+61
Asia	6,887	7,685	619	742	+12	+20
West Asia	901	1,050	95	116	+17	+22
South Asia	613	488	53	37	-20	-30
East and Southeast Asia, ex. Japan and PRC	2,055	2,402	208	249	+17	+20
Japan	3,717	3,488	263	279	-6	+6
Peoples Republic of China	(²)	257	(²)	59	—	—
Latin America and Caribbean	1,697	2,172	265	261	+28	-1
Brazil	73	355	15	47	+386	+213
Mexico	467	536	120	78	+15	-35
Canada, excluding transshipments	1,345	1,280	112	134	-5	+20
Canadian transshipments	246	468	24	66	+90	+175
Africa	1,094	1,293	131	161	+18	+23
North Africa	641	772	81	102	+20	+26
Other Africa	452	521	50	59	+15	+18
Oceania	115	128	13	12	+11	-8
Total ³	20,720	22,644	1,747	2,134	+9	+22

¹ Not adjusted for transshipments. ² Less than \$500,000. ³ Totals may not add due to rounding.

U.S. agricultural imports

	October-July				July			
	1976/77	1977/78	1976/77	1977/78	1977	1978	1977	1978
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals live, excl. poultry	—	—	200,317	280,186	—	—	9,987	20,621
Meat and preps., excl. poultry (mt)	635	727	1,066,321	1,313,292	67	73	106,610	152,716
Beef and veal (mt)	496	581	668,217	876,904	53	57	68,231	106,026
Pork (mt)	120	123	364,061	390,663	12	13	35,790	40,078
Dairy products, excl. eggs	—	—	249,772	266,639	—	—	24,428	25,425
Poultry and poultry products	—	—	64,824	78,581	—	—	8,270	4,548
Grains and preparations	—	—	141,403	157,053	—	—	13,288	21,370
Wheat and flour (mt)	36	(¹)	3,390	174	(¹)	(¹)	4	76
Rice (mt)	2	2	619	871	(¹)	(¹)	60	122
Feed grains (mt)	222	158	31,923	17,392	16	27	2,043	3,256
Other	—	—	105,471	138,616	—	—	11,181	17,916
Fruits, nuts, and preparations	—	—	749,698	844,482	—	—	77,364	101,200
Bananas (mt)	1,755	1,883	257,439	279,009	158	237	24,472	35,368
Vegetables and preparations	—	—	541,455	688,554	—	—	36,497	43,006
Sugar and preps., incl. honey	—	—	888,750	862,406	—	—	90,261	126,668
Sugar, cane or beet (mt)	3,574	3,588	731,932	723,581	420	558	77,106	110,356
Coffee, tea, cocoa, spices, etc. (mt)	1,407	1,253	4,930,450	4,570,577	101	126	390,544	412,995
Coffee, green (mt)	900	803	3,582,871	3,016,655	45	79	244,575	259,737
Cocoa beans (mt)	175	154	412,012	504,781	11	16	38,858	46,792
Feeds and fodders	—	—	57,889	56,050	—	—	4,514	5,324
Protein meal (mt)	20	7	3,797	1,376	1	2	131	331
Beverages, incl. distilled alcoholic (hl)	46,292	54,673	433,282	662,237	6,156	7,194	48,974	75,469
Tobacco, unmanufactured (mt)	111	126	239,656	309,279	12	16	25,695	38,633
Hides, skins, and furskins	—	—	177,012	208,640	—	—	14,689	14,173
Oilseeds	—	—	79,558	42,267	—	—	5,677	4,480
Soybeans (mt)	(¹)	(¹)	17	43	0	0	0	0
Wool, unmanufactured (mt)	30	22	80,497	62,930	2	3	6,572	7,195
Cotton, unmanufactured (mt)	22	12	15,802	5,255	4	1	1,442	396
Fats, oils, and greases (mt)	8	7	3,859	4,308	1	1	330	558
Vegetable oils and waxes (mt)	863	738	456,735	387,054	61	69	41,915	3,674
Rubber and allied gums (mt)	657	630	523,746	534,717	74	60	60,445	3,091
Other	—	—	437,739	501,971	—	—	42,937	41,596
Total	—	—	11,338,765	11,736,478	—	—	1,010,439	1,187,138

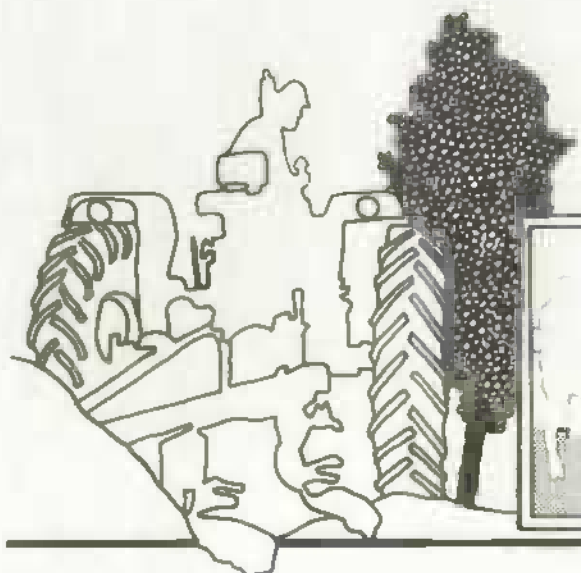
¹ Less than 500. NDTE: 1 metric ton (mt) = 2,204.622 lb.; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

Trade balance

	October-July		July	
	1976/77	1977/78	1977	1978
	\$ Mil.			
Agricultural exports ¹	20,720	22,645	1,747	2,134
Nonagricultural exports ²	79,235	84,937	7,831	8,635
Total exports ³	99,955	107,582	9,578	10,769
Agricultural imports ³	11,361	11,739	1,016	1,187
Nonagricultural imports ⁴	107,140	125,908	11,494	13,611
Total imports ⁴	118,501	137,647	12,509	14,798
Agricultural trade balance	9,359	10,906	732	947
Nonagricultural trade balance	-27,905	-40,971	-3,663	-4,976
Total trade balance	-18,546	-30,065	-2,931	-4,029

¹ Domestic exports (F.A.S. value). ² Domestic and foreign exports excluding Department of Defense grant-aid, (F.A.S. value). ³ Imports for consumption (customs value). ⁴ General imports, (customs value).

FARMERS' NEWSLETTER



There's one thing you can count on about the news: It's always changing. The big news now is the size of 1978 crops, but you'll need to keep a sharp eye on developments in the weeks and months ahead. How can we help? We've got some good news which we can summarize in two words: **FARMERS' NEWSLETTERS**.

This series of USDA newsletters is geared specifically to the concerns of farmers. And any—or all—of the newsletters will start coming to you absolutely free if you fill out the form below and return it to us.

The **FARMERS' NEWSLETTER** series has been authorized by Congress to give producers timely information for making decisions about marketing products and working their farm or ranch. It will keep you abreast of current events affecting cropping and marketing plans, including farm policy announcements. Prospects for farm prices, production, and export demand . . . how to interpret marketing and planting intentions reports . . . and much more.

The **FARMERS' NEWSLETTERS**, published by USDA's Economics, Statistics, and Cooperatives Service, cover five different commodities plus a general letter covering such topics as policy developments, real estate, exports, and taxes. Publication dates vary, depending on major developments of interest to you.

Select the 4-page Newsletter you want and mail this request to the office listed below.

- | | |
|--|---------------------------------------|
| <input type="checkbox"/> (1) Wheat | <input type="checkbox"/> (4) Oilseeds |
| <input type="checkbox"/> (2) Feed | <input type="checkbox"/> (5) Cotton |
| <input type="checkbox"/> (3) Livestock | <input type="checkbox"/> (6) General |

Each Newsletter will be published at least five times per year:

Print Last Name	First	Initial
Firm		
Address		
City	State	ZIP

MAIL TO:

ESCS
Room 0054 South Bldg.
USDA
Washington, D.C. 20250

RECENT PUBLICATIONS ORDER FORM

To order recent **ESCS** publications, circle the number of the report described. For fastest service, leave label on reverse side intact. Clip and return form to:

U.S. DEPARTMENT OF AGRICULTURE
ECONOMICS, STATISTICS, AND COOPERATIVES SERVICE
PUBLICATIONS
ROOM 0054—SOUTH BUILDING
WASHINGTON, D.C. 20250

AER-401	AER-408	AER-410	AGERSF-1	AGERSF-27	AGERSF-37	AH-533	AIB-416
ERS-661	ESCS-05	ESCS-07	ESCS-12	ESCS-14	ESCS-15	ESCS-25	ESCS-33
ESCS-37	FAER-146	FAER-147	FAER-148	FAER-149	FAER-151	RDRR-1	SB-522
SB-568	SB-602	SB-605	SB-608	SB-609	SB-610	TB-1431	TB-1594

OCTOBER 1978

AGRICULTURAL OUTLOOK SUBSCRIPTION ORDER FORM

MAIL TO:
SUPERINTENDENT OF DOCUMENTS
GOVERNMENT PRINTING OFFICE
WASHINGTON, D.C. 20402

Enter my subscription to AGRICULTURAL OUTLOOK at \$17.00 U.S., \$21.25 foreign:

NAME—FIRST, LAST																							
COMPANY NAME OR ADDITIONAL ADDRESS LINE																							
STREET ADDRESS																							
CITY												STATE						ZIP CODE					

- ☐ Renewal (Include current address label).
- ☐ New subscription
- ☐ Here is my check for \$ _____ payable to
Superintendent of Documents
- ☐ Charge to my Deposit Account No. _____

*Please allow 6 weeks for subscription processing.
Use correct *Postal Service* abbreviation for State.
Do not omit zip code.

MICROFICHE ORDER FORM

MAIL TO:
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL INFORMATION SERVICE
5285 PORT ROYAL ROAD
SPRINGFIELD, VA 22161

Enter my microfiche subscription(s) to AGRICULTURAL OUTLOOK (NTISUB/C/151) at \$25.75 first subscription (North American Continent addresses); \$21 each additional if ordered at the same time to the same address. Other address: \$45 each.

Name _____

Organization _____

Address _____

City, State _____

Zip Code _____

- ☐ Here is my check for \$_____ payable to NTIS.
- ☐ Charge to my NTIS Deposit Account No. _____
- ☐ Charge to my American Express Card Account Number. _____

Expiration date _____

Signature _____

*Please allow 6 weeks for subscription processing.

OCTOBER 1978

To learn more about PDF Compression and OCR go to our website

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101
FIRST CLASS



To submit a change of address, please cut or peel off the mailing label from your most recent issue of Agricultural Outlook. Mail it along with your new address to: Agricultural Outlook, Room 482 GHI Bldg., ESCS-USDA, Washington, D.C. 20250. Allow 6 weeks for processing.